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THE PEOPLE'S PLAN FOR PROGRESS

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This pamphlet is written and edited by the Ministry of Economic Affairs and Development Planning, and is distributed free in English and in Kiswahili.

Its purpose is to present in a popular form the Second Five Year Plan 1969-74. Readers who are interested in the full presentation of the Plan, are recommended to read the official Plan document, "The Second Five Year Plan 1969-74."

In addition to these publications, each Ministry has issued a pamphlet on its own programmes and projects.

All these publications are available at:

- The Government Printer, Pugu Road, Dar es Salaam, P.O. Box 9124.
- Regional Information Offices throughout the country.
- Area Commissioners Offices throughout the country.
- TANU District Offices throughout the country.

Each Government Ministry in Dar es Salaam has a stock of its own Second Plan pamphlets, for distribution.

The Ministerial pamphlets and the Popular Version of the plan are distributed free, whereas a price is charged for the official plan document.

The first step towards success in implementing the people's plan is to ensure that people who will be involved in the implementation do understand the plan documents and are able to explain it fully to the masses.

It is for this purpose that this concise version of the Plan has been produced. I commend all leaders to read through this popular version and explain the contents to the country.

PAUL BOMANI,
Minister for Economic Affairs and
Development Planning

3377

THE PEOPLE'S PLAN FOR PROGRESS

A popular version

of

The Second Five Year Plan for Economic And Social Development
1969 - 1974

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FREEDOM AND DEVELOPMENT

"Development brings freedom, provided it is development of people. But people cannot be developed; they can only develop themselves. For while it is possible for an outsider to build a man's house, an outsider cannot give the man pride and self-confidence in himself as a human being. Those things a man has to create in himself by his own actions. He develops himself by what he does; he develops himself by making his own decisions, by increasing his understanding of what he is doing, and why; by increasing his own knowledge and ability, and by his own full participation—as an equal—in the life of the community he lives in. Thus, for example, a man is developing himself when he grows, or earns enough to provide decent conditions for himself and his family; he is not being developed if someone gives him these things. A man is developing himself when he improves his education in whatever he learns about; he is not being developed if he simply carries out orders from someone better educated than himself without understanding why those orders have been given. A man develops himself by joining in free discussion of a new venture, and participating in the subsequent decision; he is not being developed if he is herded like an animal into the new venture. Development to a man can, in fact, only be effected by that man: development of the people can only be effected by the people."

From: Freedom and Development by
Mwalimu Julius K. Nyerere.

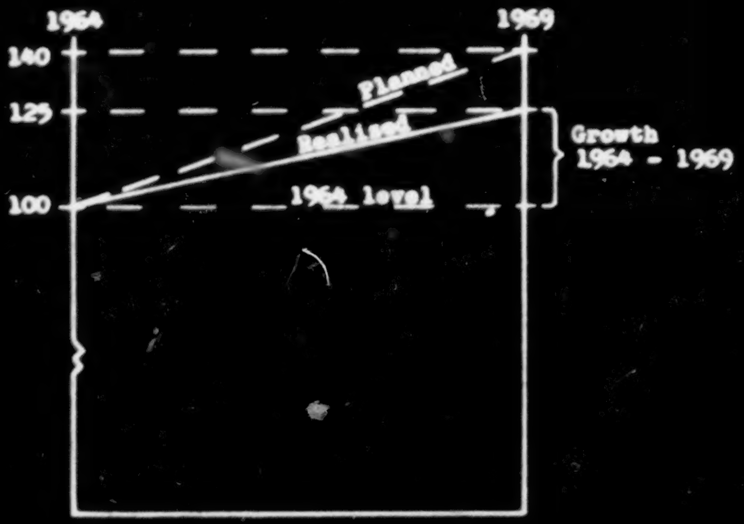
'Development of the people can only be effected by the people"

1. THE FIRST FIVE YEAR PLAN 1964-1969

In 1964 the Government and Parliament approved Tanzania's first Five Year Plan 1964-1969.

Significant achievements have been made and valuable experience from economic planning and development has been gained in the implementation of the first plan. Throughout the country we find results of the efforts under the Five Year Plan. New roads have been built, new rural and urban water supplies have been constructed. New schools have been erected, and the number of students have increased drastically, particularly in higher education. The majority of all Government posts have been taken over by Tanzanians.

The first Five Year Plan also saw the first important measures in transforming Tanzania into a Socialist country.



If we say that economic output in 1964 was 100, it was increased to 125 in 1969. This is a very good achievement, although the plan was even more ambitious, it foresaw a growth up to 140 in 1969.

The foundation has been laid during the first Five Year Plan for a development towards socialism and self-reliance. Also in economic terms, the First Five Year Plan gave good results. The total value of the productive effort by all Tanzanians went up significantly. For each Shs. 100 of production in 1964, we achieved about Shs. 125 in 1969.

Development is a complicated and a long term process. The colonial economic system under which Tanzania lived up to 1961 did only aim to develop a very limited section of our economy. No effort was made to mobilise the masses of the population for productive effort which could benefit the welfare of the people itself, no effort was made to bring education or adequate health services to the masses of the peoples.

The first Five Year Plan represents the first major shift in policy, towards a new development which shall serve the people's own interests, which aims at improving the living conditions for the peasant farmer, give education to all children, and to protect the health of the families. It also represents the first major step towards a socialist society, designed to the needs of Tanzania.

The Second Five Year Plan shall continue, and give more momentum to the policies initiated during the First Plan.

2. WHAT IS ECONOMIC PLANNING?

The Government is committed to make the best possible use of the country's manpower and economic resources, with a view to accelerate social and economic development.

The Second Five Year Plan tells you how the Government will proceed to implement this.

Tanzania is a poor country and there are enormous needs for development and improvement. We all know this from our own district, from our own work, from our own family.

The problem for the Government is to use the limited resources of the country to get maximum development impact. No area shall be neglected. but on the other side, there are not enough resources to satisfy everybody. A balance must be struck between the various requirements.

For example, there is an urgent need to improve the roads. But we would get a very unbalanced development if we put all our resources into road works, and left nothing for education, water supply, health services, etc.

Therefore we have to decide which roads are most important for the country and limit ourselves to them for the time being at the same time as we use our finance also for meeting the most urgent requirements for schools, water works, etc. In the Second Five Year Plan the Government tells you about its strategy for development. The plan indicates the projects and programmes which will come up for implementation.

The plan will tell you about the interdependence of all economic and social sectors: For example: There is no use in expanding agriculture in an area if there are no roads which can carry the crops to the market. And if we want to boost the livestock industry, we must also have veterinary services, water supply, abattoirs, and maybe also a canning plant, and marketing possibilities in foreign countries.

When we consider the crux of the development problems—the development of the peasant farming and the rural community, we find that this is the responsibility of a large number of Government agencies. The Ministry of Agriculture is responsible for stimulating farm production and marketing, and also for water supply. Comworks is responsible for roads, Ministry of Health for health services, Ministry of Education for schools and finally the Ministry for Rural Development is responsible for assisting the Ujamaa villages, and for the practical cooperation between the other Ministries concerned.

Another example where there is a need for a coordinated development programme, is in education. We need more new schools, and more teachers. But there is no use in training new teachers at a quicker rate than we can build the new schools. On the other side, it would make no sense if we built new schools at a quicker rate than we can have teachers to staff them.

The problems and aspects of planning as outlined above, are common for economic planning in any country. Planning in Tanzania has also a special social significance. The Second Five Year Plan represents a programme aiming at implementing the principles of the Arusha Declaration. The plan is based on these five principles:

(i) *Social equality*—The Plan aims to spread the benefits of development widely throughout society;

(ii) *Ujamaa*—The Plan emphasises the development of forms of economic activity which encourage collective and co-operative efforts and avoid wide differences of wealth and income;

(iii) *Self-reliance*—The Plan emphasises development through the maximum mobilization of domestic resources, particularly through mobilization of the rural masses.

(iv) *Economic and Social Transformation*—The Plan emphasises rapid expansion of productive capacity to create the basis for future economic and social transformation;

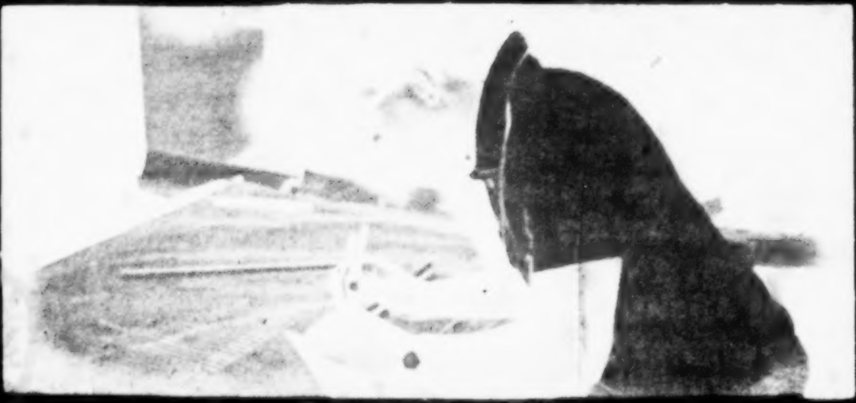
(v) *African economic integration*—The Plan emphasizes the extension of economic co-operation with other African states.

The Plan tells us first and foremost about the *direction* in which we shall be moving. It tells us for example what type of assistance the Government will provide for the ujamaa villages. It tells us about the extent of primary school expansion, in relation to secondary school expansion. It tells us about how the Government gives priority to different road projects. It tells us about the economic importance of tourism development, and many other decisions of economic policy.

The plan can *not* tell us *exactly* how far the economy of Tanzania, and how the various groups of peasants and workers will have developed by 1974.

The administrative machinery of the Government is steadily improving, and valuable experience is gained year by year. Similarly, the new Government commercial institutions for economic change are gathering momentum, and in the years ahead they should attain substantial achievements.

But there are powerful factors of decisive importance which are beyond the control of any Government:



Design work for the link road Tanzania—Burundi. Planning of individual development projects is a time-consuming process, and it calls for many qualified technicians. Over and above the planning of individual projects we have the coordination of projects and programmes from all Government departments into a full national plan.

Firstly, the weather which governs the fundamental conditions for agricultural production. Even though good years and bad years tend to even out in the long run, we can easily have either excessively good, or excessively bad years when we consider only a five year period, as the Development plan does.

Secondly, Tanzania is—as the other African countries—strongly dependent on selling agricultural products abroad, and world market prices tend to fluctuate in an inpredictable manner. When the price of say, coffee, goes down Tanzania gets less revenue from abroad, and this will reduce our ability to buy machinery, tractors, medicines, metals and other essential goods. If this happens. it is easy to see that it will slow down development of our national economy.

These uncertainties of the weather and of world market prices do not make it impossible to plan the development of our economy, but they make it more difficult.

And, above all, the uncertainties we have to live with, make it urgently required to have a *flexible* machinery of planning. We must at any given year be prepared to revise our plans in light of recent development.

A good year may allow us to become more ambitious in our objectives and targets. A bad year may on the other side, force us to slow down the pace of development of roads, schools, rural institutions etc.

Such changes should not affect the *strategy* of the plan, the priorities and the political content of the plan. But they may affect the speed at which we can achieve our goals.

The Government will each year take up the Five Year Plan for a critical review, and make the necessary adjustments in light of the past year's achievements. The review, which will be called *annual economic plans*, will be presented by the Government in connection with the annual budgets.

3. THE PLANNING MACHINERY

Within Government it is the Ministry of Economic Affairs and Development Planning which has the responsibility to prepare the Development Plan, and to supervise its implementation. But since the Development Plan affects every sector of the economy, and every branch of the Government, there is a large number of Government and parastatal organisations which are involved.

The various Ministries have prepared their sectoral programmes and projects, often assisted by their Regional and District staff. In the next step Ministries submit their plans to the Ministry of Economic Affairs and Development Planning.

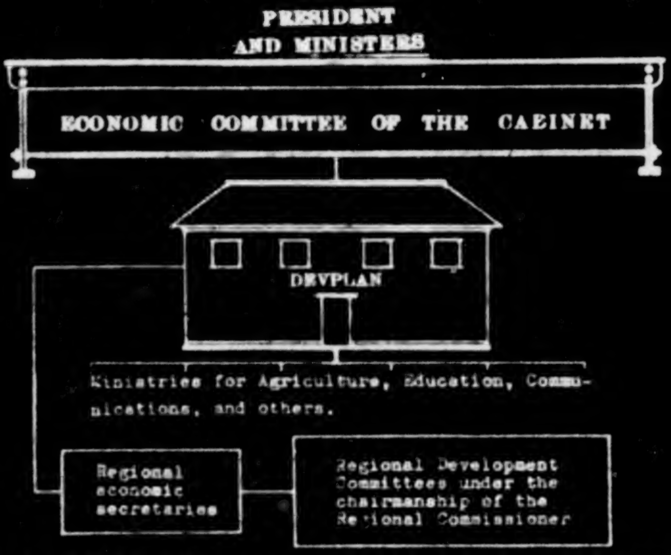
The Development programme for the parastatal organisations was initiated by these organisations themselves. Thereafter, their programmes have been discussed with the responsible sector Ministries, and finally with the Ministry of Economic Affairs and Development Planning.

After a fresh round of discussions and consultations between that Ministry and the sectoral Ministries, the full draft Plan was discussed by the Economic Committee of the Cabinet. This committee is chaired by the President.

The draft plan was thereafter submitted to the TANU National Executive Committee.

After the National Executive Committee expressed its advice, the draft plan was presented to the TANU Annual Conference for discussion and approval. Together with the official Plan document, this popular version has been designed to meet the need of the Annual Conference for a short reference.

The final and formal approval of the plan is the responsibility of the Parliament.


PRESIDENT
AND MINISTERS
ECONOMIC COMMITTEE OF THE CABINET
DEVPLAN
Ministries for Agriculture, Education, Communications, and others.
Regional economic secretaries
Regional Development Committees under the chairmanship of the Regional Commissioner

This is a simplified illustration of the Government planning machinery.

4. THE STRATEGY OF THE SECOND FIVE YEAR PLAN

We measure the wealth of a country by adding together the value of the productive effort by everybody in the country, peasants, transport workers, building workers, teachers, agronomists, fishermen, and all others.

When we add together the value of the work carried out in the whole country over a year, we call this total value the *national product*. When we increase our production, this is recorded as an increase in the national product.

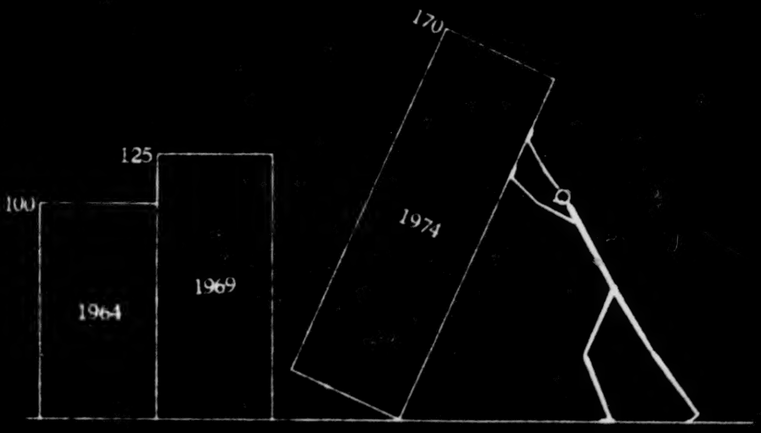
The Government aims at having the national product increased substantially through the next five years, and also to lay the foundation for a continued rapid growth in the years thereafter.

The national product is supposed to grow at an annual rate of 6.5%. This means, that the national product, estimated at 6170 million shillings in 1969 will grow to 8445 million shillings in 1974.

However, this does not mean that every one of us will become exactly so much richer. Firstly, because the population increases year by year, the total wealth must be shared among a larger number of people.

Of the *increase* in the national product, roughly one shilling out of three will be necessary to compensate for the higher population.

The remaining *increase* in output which we shall have at our disposal, will amount to about 4% per annum. This means that on the average each 100 shs. in output in 1969 will increase to 125 shs. in 1974. But this will not fall evenly on each of us. In line with the Arusha Declaration the Government will aim at improving the standard of the *rural* population. Thus we may expect that relatively less will be at the disposal for improving the standard of the urban population.



Each Shs. 100 which Tanzania produced in 1964, was increased to a total of Shs. 125 in 1969, and is planned to go up further to Shs. 170. by 1974. This rapid growth comes not by itself. It calls for a strong effort by every man and woman, by Government, TANU and cooperative organisations.

Here is a very short summary of the strategy within each sector.

— **Rural development:**
programmes will aim at stimulating the co-operative effort, through ujamaa villages and other communal action.

Within agricultural production, the following crops will be encouraged:

- tea
- flue — cured tobacco
- cotton
- rice
- wheat
- cashew nuts
- oil seeds
- fruit, vegetables
- livestock
- kenaf
- fish
- cocoa and copra in certain areas

These following crops are faced with marketing problems and no big increase can be foreseen:

- sisal
- coffee
- pyrethrum
- fire-cured tobacco

— **Industrial development:**
will be dominated by the programme of NDC and its partners. The Government will also stimulate small scale industries. Here are some of the biggest industrial projects:

Fertilizer	(Tanga)
Tyres	(Arusha)
Steel rolling	(Tanga)
Sisal pulp	(Tanga)
Extension of cement factory	(Dar es Salaam)

— **Communication:**
The Government spending on new Communications will be dominated by the TanZam road. Towards the end of the Five Year Plan more emphasis will be laid on local roads.

The TanZam railway where construction will start during the Plan will be the biggest single project in Tanzania since independence.

A new international airport in Northern Tanzania will be constructed, Kilimanjaro International Airport.

Education:
Development of Secondary Schools and University education will proceed during the Second Plan with a view to attain self sufficiency in high level manpower by 1980. Only a few specialised skills

will then need to be "borrowed" from abroad. After the main thrust in Secondary school expansion already has taken place, this will make it possible for Government to release funds for more rapid development of primary schools.

Emphasis will also be laid on a transformation of the curriculum in primary and secondary schools to become adjusted to the requirements of Tanzania Society.

— **Health:**
Past expansion of medical training will begin to bear fruit and there will be more medical personnel available, Rural health service will be improved.

— **Tourism:**
Hotels, lodges, and national parks will be further developed to receive larger numbers of tourists. Foreign tourists' spending in Tanzania gives revenue to the country.

95 people out of 100 in Tanzania live in rural areas. Development of the country is therefore only possible when the development plan is based on rural development. This is the main theme in the Second Five Year Plan.

5. OUTPUT TARGETS:

In Chapter 4 we explained that when we add the value of the total productive effort by all Tanzanians during one year, we call this total the national product. In this Chapter we shall consider the implications of the Second Plan, as to how each sector of the economy contributes to this total.

In 1968 the various industries made these contributions:

Agriculture	3110	million shillings
Mining	125	,, ,,
Industry	384	,, ,,
Construction	278	,, ,,
Electricity works, water works	62	,, ,,
Commerce and trade	830	,, ,,
Transport	316	,, ,,
Housing, office buildings etc. ..	347	,, ,,
Hotels, hospitals and other services from Government and private	718	,, ,,
National Product	6170	million shillings.

The figures do not say anything about how important an industry may be. For example, if we take one of the smallest, construction, which contributes 278 million shillings, it is evident that even if this figure is small in comparison with others, construction is an economic activity of essential importance for a developing economy.

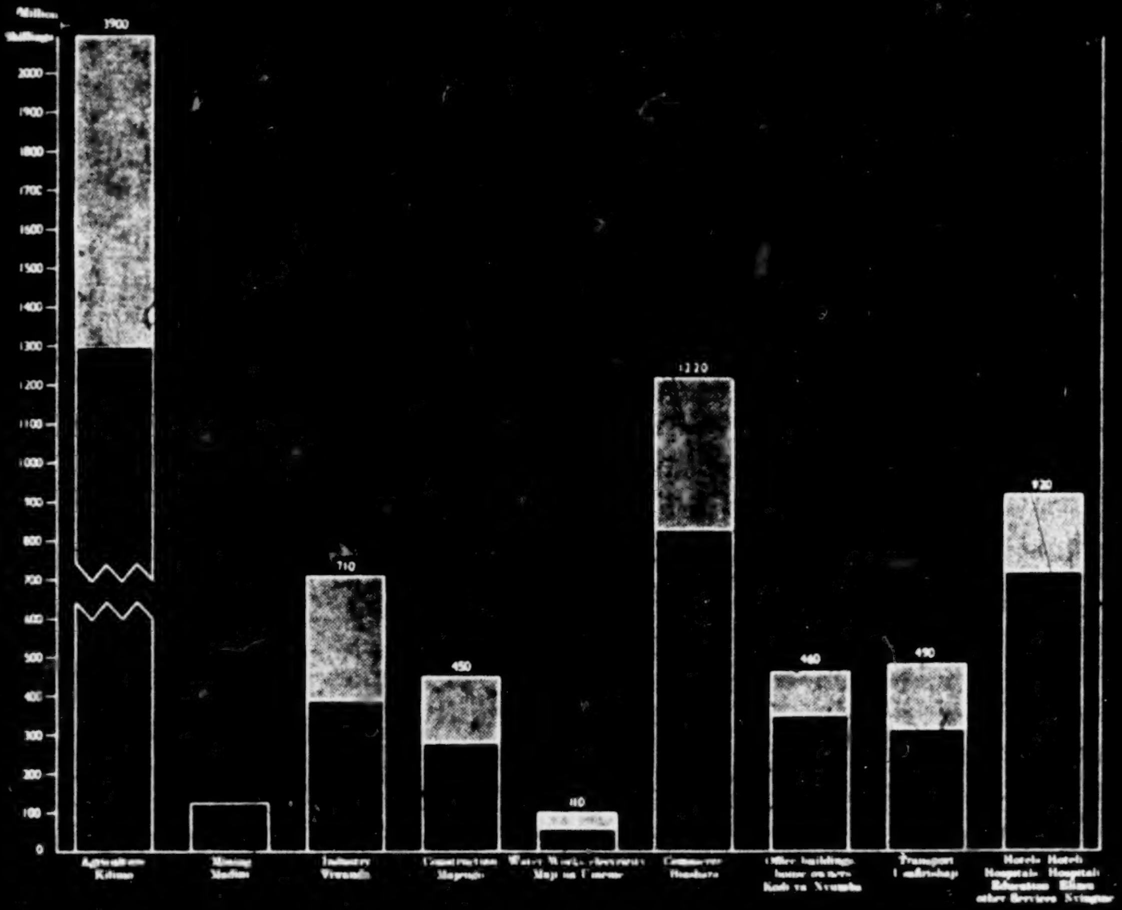
Another qualification about the reading of these figures must be made. They do not tell us how many people are occupied in each industry. If this is considered, we shall find that out of every 100 Tanzanians, around 90 are occupied in agriculture, and the remaining 10 are shared among all the other industries. Thus we see that the 90 (out of 100) in agriculture contributed about one half of the national product, whereas the remaining 10 (out of 100) contributed the other half.

Even if this in economic terms is true, it does not tell us the full story. It does not tell us how much machinery, how much education, how much organised collective effort is behind each worker.

When the only 10 (out of 100) Tanzanians in other industries than agriculture contribute almost as much as all the 90 (out of 100) in agriculture, it is basically because in these industries (transport, construction, industry, electricity etc.) there is a large amount of capital, education and organisation behind each worker, whereas in agriculture an individual peasant has usually only a few hand tools, and very little, if any, formal education.

During the Second Plan the non agricultural industries will grow faster than agriculture. This implies that Tanzania gradually develops into a country which will become less an agricultural economy, and more a country of other industries, where concentrated use of capital, education and organisation can provide higher incomes. But this is a long term process. Both at the end of the Second Plan, and Third Plan as well, Tanzania will still largely be an agricultural economy. This underlines the need to focus on the rural problems, and not leave the agricultural population behind in the development.

The graph illustrates how each economic sector is expected to contribute to the growth in the Second Five Year Plan.



Each column illustrates the total value of the work carried out in that industry. The white part of the column represent 1969, and the shaded top represents the planned development up to 1974. The growth in all other industries than agriculture is bigger than in agriculture: this means that Tanzania's economy is gradually becoming more diversified. But for many years, agriculture will remain the biggest industry.

6. FOREIGN TRADE AND PAYMENTS

Foreign exchange which is needed to finance imports of machinery, equipment and other capital goods and raw materials, is strategic to the development process. In addition, foreign exchange is also required to meet the import bill of various essential consumer goods., Such imports can only be purchased with foreign currencies. In other words this means that we can only pay for our imports of consumer and capital goods in certain few internationally acceptable currencies or in the currencies of the countries of origin of the imports. We cannot use our shillings to buy them just as we cannot accept every currency for the diamond, coffee, etc. which sell to foreign countries. And how can we get the foreign currencies we need? We can only get them by exporting our goods or by borrowing from abroad.

However, as a first step it will be necessary to control imports by increasing locally produced goods such as food-stuffs (especially wheat, rice and dairy products) textiles, furnitures, etc. made in Tanzania. This will be achieved by giving a high priority to the setting up of industries engaged in the production of consumer goods and import substitutes. As a result the value of imported consumer goods will be kept constant (at shs. 750mn. each year) throughout the plan period. Other appropriate policy measures will be applied to minimize the use of foreign exchange during the Plan. In other words, foreign exchange will be used for imports only when it is necessary to do so. But our development effort will call for large numbers of machinery, trucks and other equipment, which must be purchased overseas.

On the foreign exchange earning side, vigorous efforts will be exerted to expand and diversify our exports. We will seek new markets, particularly in Africa, Eastern Europe and Asia. Further in order to avoid excessive dependency on primary commodities as a source of export earnings, it will also be necessary to transform the commodity structure of our exports by diversifying the range of primary commodities export and creating export-oriented industries.

In the Plan it is foreseen that there will be an increase in our sales of agricultural products to other countries. As it is explained in Chapter11, Agriculture, the prospects for the sale of coffee and sisal are not very bright.

Traditionally, Tanzania has four main products being sold abroad, coffee, cotton, sisal and diamonds. Of these only *cotton* has good possibilities for growing more and selling more. For every 100 bales produced at the end of the first Plan, it is planned that we shall produce about 152 bales by 1974 (assuming normal weather conditions). For both *coffee* and *sisal* there are too many developing countries trying to sell these products and at the same time the market is not expanding at a rate fast

Tea being loaded into a ship in Dar es Salaam bound for Europe. More than half of Tanzania's sales of goods go to Western Europe and North America. It is a deliberate intention of the Government to increase the sales to other parts of the world enough to absorb all products offered for sale. For coffee, however, a modest increase is foreseen due to improved husbandry. For sisal a small decrease is anticipated.

The sales of *diamonds* is expected to fall slightly.

Over the recent years Tanzania has been successful in developing new crops which can be sold in the world market. The most important are flue-cured tobacco, tea and cashew nuts.

As pointed out in the chapter on agriculture, a vigorous expansion of these crops has been planned, and this will give to rise substantial revenues.

Another item of increased revenues from abroad, is our sales to the other East African countries. As it will be seen from Chapter 8 Tanzania intends to increase her sales of industrial products to our partners in the East African Community.

Another foreign exchange earner is tourism. Additional capacity will be created to meet a rapidly expanding demand through building hotels and providing other tourism services.

It is expected that all Tanzania's sales to other countries year by year will increase to shs. 105/50 for each 100 shs. in the preceding year.

The development effort will, on the other hand, make it necessary to increase the imports from other countries at a slightly higher rate (year by year around shs. 107/--), in spite of our endeavours to increase local production.

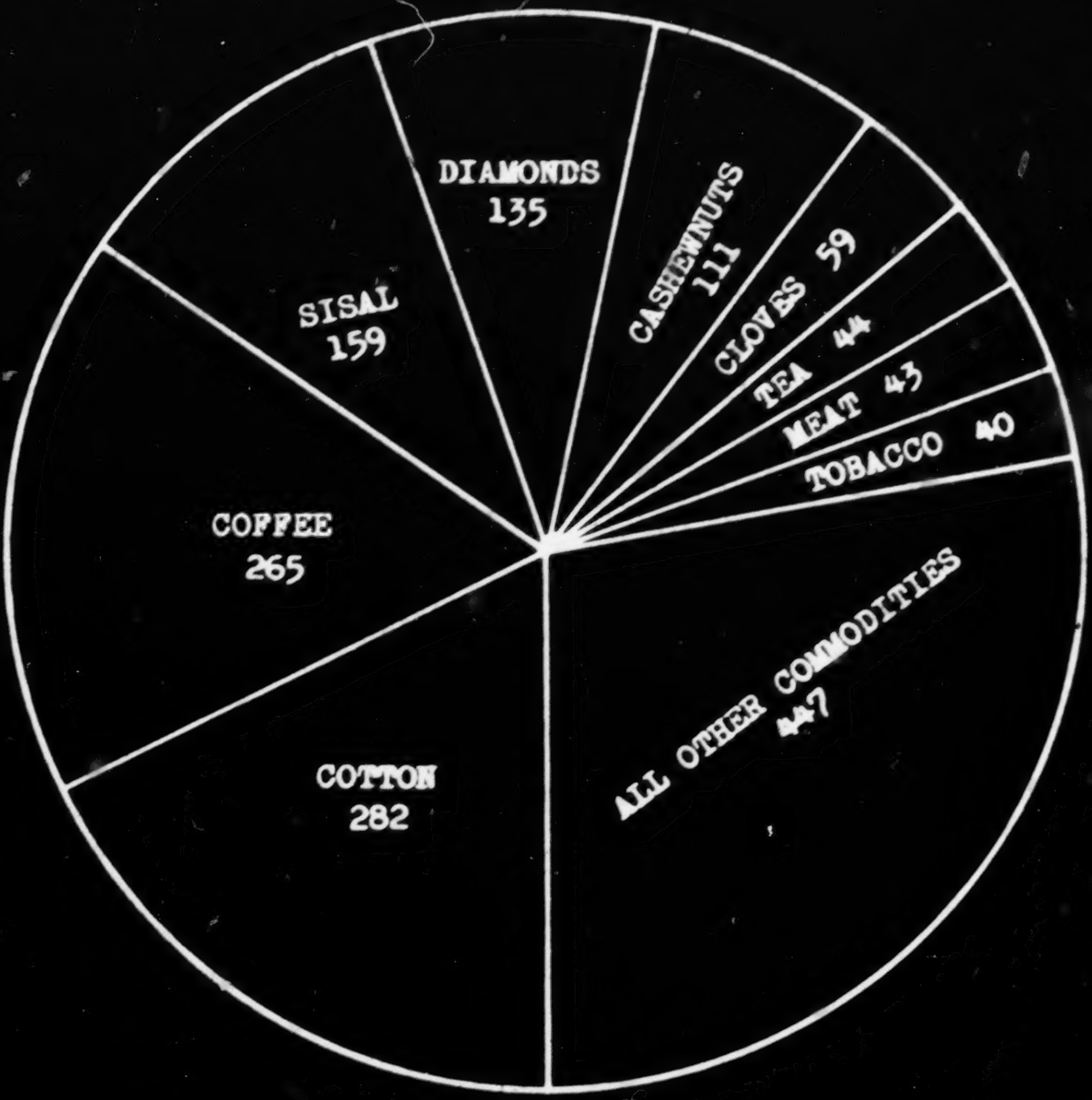
The deficit arising from the expenditure on goods from abroad growing faster than revenues from sales abroad, will be met by external finance.

It is expected that Tanzania will receive finance from international organisations and friendly countries to meet this gap.

Because of the big development task we have before us, and because of the present unfavourable international trade system, we will continue during the Plan to require foreign capital in form of loans, grants and private investment, where appropriate. It is however important to understand the implications of foreign capital. The loans we are borrowing to-day will have to be repaid in future from our economy's output. They are in no way a substitute to our domestic resources and efforts. In the last analysis, therefore, we must develop through our own internal resources, and through trade. Our Self-reliance policy is based on full realization of this hard fact.

On page 19 you will find the total amounts in Tanzania's trade and payments with other countries. These transactions are just similar to what we have in a farmer's family. The family sells their cash crop to be able to buy consumer goods, tools etc. which they cannot produce on their own farm. The family may borrow money to finance these purchases but the loans must be repaid in the future from the output of the farm.

Even if the amounts for the whole national economy are of an entirely different size, compared to an individual farm, the basic principles of self reliance are the same.



This illustration shows the revenues earned from the sales of Tanzania's export products in 1968. The amounts are in million shillings and include Zanzibar. The total value was 1585 million shillings. It is expected to increase strongly during the Second Plan, to 2185 million shillings by 1973/74. Strongest increase is expected for cotton, cashew nuts, tea, tobbaco.

7. FINANCE

In financial terms self-reliance means that the nation from its current income sets aside enough savings for financing its development effort. Therefore, it is the Government's policy to channel a large share of the increase in wealth year by year into financing new development projects instead of allowing ourselves to expand our current spending on non-development consumer items.

Considering the very big development task, and the unsatisfactory international trade system, which give development countries such a modest payment for their products, the Government aims at having a moderate share of our development expenditures paid by external finance in addition to our own resources. The capital we get from abroad, does not replace our own effort. We must, in due time, repay the monies we borrow.

This problem is also discussed in Chapter 6.

The common economic term for carrying out new building and construction works, acquiring new machinery, transport equipment,etc. is capital formation (investment).

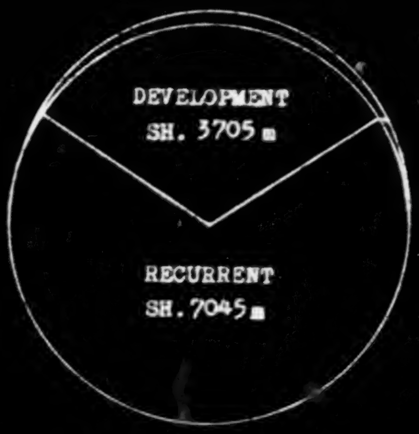
The total investment programme for the Second Five Year Plan reflects its dynamic, development-oriented philosophy. Altogether, there is planned a total investment of shs. 8,085 million. This vast amount implies that from the first year and through the whole Plan, we add another ten shillings to each hundred shillings invested in the preceding year. When the first year is 100, the second is 110 and so forth.

This, in comparison with achievements in other countries, is a very ambitious target. But it is not unrealistic, if all efforts are concentrated on development.

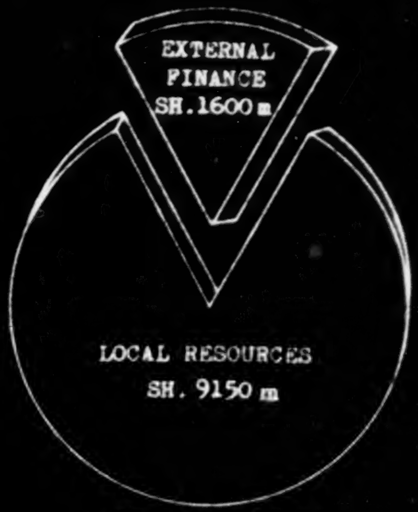
The various economic sectors are expected to contribute as follows:—

(a)	Central Government	shs. 3,055	million
(b)	Parastatal oraganisations co-operatives	shs. 2,300	,,
	Total public sector	shs. 5,355	,,
(c)	East African Community	shs. 580	,,
(d)	Private sector	shs. 2,150	,,
	Total:	shs. 8,085	,,

The dominant position of the public sector appears clearly from this table. This illustrates the socialist structure of Tanzania's economy.



CENTRAL GOVERNMENT
EXPEDINTURES



THE FINANCING OF
CENTRAL GOVERNMENT

The Central Government finance is divided in the development budget and the recurrent budget. Both are essential for the national development. These two circles illustrate the high degree of self reliance which is to be achieved in the public finance in the Second Plan. The left circle shows total expenditures under the two budgets, the right circle shows how much is financed by local resources and how much by external. It appears that the local resources are sufficient to cover all recurrent expenditures and in addition to that well beyond one half of development expenditures. The remainder come from external sources.

Here are some features of the programmes of each of these four sectors :

(a) **Central Government:**

This sector includes all programmes of the respective Ministries. In the table below it will be seen how the total is being shared among Ministerial programmes. The right-hand colum indicates what this implies in relative terms, that means how many shillings will fall on each Ministry for every 100 shillings in total spending:—

	Shs.	*Relative Distribution*
Communications and Works ..	922,359,270	30
Agriculture	631,000,000	21
Lands	309,485,000	10
Education	296,922,300	10
Rural Development ..	185,648,000	6
Defense	107,168,200	4
Health	97,734,590	3
Home	71,000,000	2
Commerce & Industry	32,147,240	4
Central Estabs.	30,000,000	
National Service	25,000,000	
Information	16,750,000	
Devplan	12,240,000	
Foreign	10,924,000	
Judiciary	1,070,000	
Second Vice-President's Office ..	392,000	
President's Office	159,100	
Sub-Total	2,750,000,000	
TanZam Railway (Local costs) ..	305,000,000	10
Grand Total	3,055,000,000	100

The distribution among Ministries illustrates the large amounts allocated to communications. Out of every 100 shillings total spending, 30 go to Commworks (mainly, roads and airports).

The road programme is dominated by the Tanzam road (394 million shillings of the total of 922 million shillings.)

The table also illustrates how development expenditures are concentrated on five big development oriented Ministries:

Communications, & Works, Agriculture Lands
Education and Rural Development

These five will together receive more than three-quarters of all Government funds.

(*b*) **Parastatal Organisations:**

A great change from the First Five Year Plan to the Second Plan is the leading role which the parastatals now have to play.

Following the nationalisation of key industries in 1967, the Government has through the parastatals assumed responsibility to develop industry, large-scale farming and tourism. Private operators have a certain role to play in these industries as defined in the Arusha Declaration, but the main responsibility rests clearly with the parastatals.

The Parastatal Development Programme is also described in Chapters 13 and 17. The programme is of key importance, since it represents the expansion of our productive strength. It is largely the increase in economic strength and production in the N. D. C. industrial undertakings, the NAFCO ranches, and in the other enterprises that we transform Tanzania into a modern, diversified economy.

In the table below, you will find how the parastatal investment programme is distributed on economic sectors.

	Million *Shs.*	*Relative* Distribution
Industry	783	35
Electricity supply	457	20
Housing	362	16
Agriculture	307	13
Tourism	235	10
Others	156	6
Total	2,300	100

(*c*) **East African Corporations:**

As explained in Chapters 8 and 14, important sectors of Tanzania's economy are developed within the framework of the East African Community. The most important are Railways, Harbours, Post and Teleconications and Airways. They are expected to invest about shs. 580 m. during the second Plan period.

(*d*) **Private Sector:**

The private sector is of much less importance after the Arusha Declaration. But there are certain sectors where private operators are responsible for development. The Five Year Plan is a challenge to investors wishing to participate in the development effort.

The most important sectors are trade, transport, tourism, industry and housing.

8. THE EAST AFRICAN COMMUNITY

The East African Community, established in 1967 by Kenya, Uganda and Tanzania, represents the most advanced institution for economic co-operation among neighbouring states in Africa.

It is the Government's policy to consolidate and develop the East African Co-operation. The Five Year Plan is based on the assumption that the East African Cooperation will be further strengthened in the coming years.

The East African Community has a great significance in many aspects of the Second Five Year Plan. For the *Common Services* and for the Corporations, the planning and management is an East African responsibility. Tanzania's influence must be transmitted through the relevant East African institutions.

Concerning the *Common Market*, this affects strongly the development of industry and trade. The planning of industry and trade is a national responsibility but it must take place in light of the possibilities offered by the East African Treaty.

(*a*) The *Common Services* include agricultural, medical and other *research*. They include also meteorological service, civil aviation, certain types of statistics, income tax and customs administration. On the basis of the national priorities, and the policies, laid down in the Five Year Plan, Tanzania's representatives on the various East African committees, boards and councils have a duty to make these bodies integrate their programmes to Tanzania's development effort.

(*b*) The East African *corporations* (Airways, Harbours, Railways, Post & Telegraph) are of great direct significance in the development process. They cover a large share of the whole transport and communication sector. Therefore, the Government will lay great emphasis on the coordination of national policies and programmes with the programmes of these corporations. More on this in chapter 14.

(*c*) The main provision of the *East African Common Market* is that the member states can sell freely to each other without customs duties being laid on goods from member states. For most imports from other countries a duty is imposed. Therefore goods from other East African countries have an opportunity to claim lower prices than the overseas producers, whose commodities also have to bear a duty.

Since Kenya got an earlier start in industrial production than Uganda and Tanzania, the two latter are for a limited period entitled to protect their own production by levying a duty ("transfer tax") on Kenya goods. Tanzania has this right also for Ugandan imports.

The East African Authority, which is the highest authority in the community, include the heads of state of Kenya, Tanzania and Uganda. The East African Community, established in 1967, is the most advanced cooperation between neighbouring countries in Africa. It is the Government's intention to consolidate and develop this cooperation as a part of the development strategy.

The economic significance of the Common market is to be found in the fact that only a limited number of people in each country can afford to buy industrial goods. Each country has today only a very small market for industrial products. But added together, East Africa on a whole provide quite a sizeable market which should grow in future years.

Industrial production is only profitable when it can be done above a certain minimum scale. For many products the Tanzania, Kenya or Uganda market alone is not big enough. But with the opportunity to sell to Kenya, Tanzania and Uganda without being hindered by customs duties, there is a chance to establish a profitable industrial production.

The industrial programme in the Second Five Year Plan (see chapter 12) is based upon the assumption that Tanzania shall enjoy the advantages of selling many of her products in the whole East African Market.

It is however, not a one-sided advantage. Kenyan and Ugandan producers have the same opportunities.

Therefore the East African Common market offers a challenge to Tanzania's industry and trade, both in the parastatal and the private sector to produce good and cheap products, and sell them throughout East Africa at competitive prices.

When considering development programmes of parastatal organisations the government will pay great attention to this aspect. As a special measure, the State Trading Corporation will promote sales centres in neighbouring countries.

The East African Treaty defines the form and the procedure to follow on matters of economic coordination between the partner states. It is the intention of Tanzania's Government to seek inter-governmental agreement on important matters of coordination of economic development.

9. MANPOWER AND EDUCATION

The manpower and education policy of the Government has three main objectives:

(*a*) To give every child a primary education as the financial situation makes it possible, the target date is 1989.

(*b*) To provide additional and further education (Secondary, Technical, University) only to the extent which is needed by the manpower requirements for the development of the country.

(*c*) To achieve self-sufficiency at all skills by 1980, except for a few highly specialized skills and professions.

Primary education:

During the First Five Year Plan, because of financial constraints and the over-riding priority given to expansion of Secondary and Higher education, it was not possible to provide any significant expansion of primary education. Yet there was an increase in the number of children admitted to standard I, from 160,000 in 1964 to 318000 in 1968. This increase was only about big enough to keep pace with the increase in the total number of children in the 6 years age group. It did not allow for any increase in the relative number of school children among the total number of children. In 1964 somewhat less than one half of the children were admitted to standard I, and this proportion is about the same in 1969.

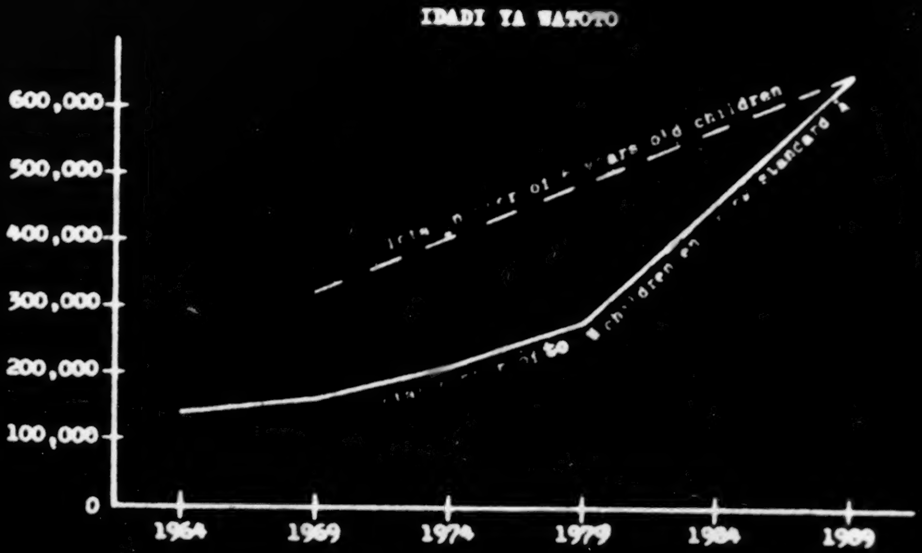
During the Second Five Year Plan the Government intends to effect a progressive increase with a view to have all children in Primary School by 1989. This is an ambitious programme which calls for great increase in Government spending, and in teacher training.

Of the children who go to Primary school in 1969, only about one out of ten can be offered a place in Secondary School, or a paid job in industry, construction, transport, etc. The remaining nine have their future in the rural community. When gradually the number of primary school children increase, there will be more and more youngsters in each class which have their future in the rural life.

Because the overwhelming majority of the children will remain in the rural community after their schooling, it is of utmost importance that the primary school first and foremost is geared to the requirements of these children.

The Second Five Year Plan will see a significant change in the primary school to make it a school for rural population with emphasis on farming, nutrition, and other practical subjects. It will become an education for self-reliance.

Out of the children who are admitted into primary school, there is a rather rigid screening after standard IV. Only about one half of the children in Standard IV are allowed to continue in Standard V. This has been necessary because of lack of teachers and schools. In the Second Plan there will be a gradual elimination of this screening, with a view to abolish it entirely by 1974.



It is the objective to give all children a primary education by 1989. As will be seen from the graph, in 1969 160,000 children are admitted in Standard I, whereas the total number of children of the age of 6 is 320,000. In the Five Year Plan up to 1974, most emphasis will be on the training of more teachers. Therefore it will be in the years after 1974 that we shall have the very big increase in the intake in Standard I.

During the Second Plan there will be 1,900 new classes at Standard I, and 1,500 new classes at Standard V. Enrolment in Standard I is 163,000 children in 1969, and is expected to reach 208,000 by 1974. The number of children in Standard V will go up from 69,000 to 147,000.

The Training of Teachers:

The programme of change and expansion primary schools will make necessary both a large expansion of institutions for the training of teachers and important changes in the courses of training. This will involve almost a doubling of the capacity of teachers colleges and an increase of the entry into training courses from 1,440 in 1969 to 2,850 in 1974. In order to accelerate progress in the schools, a new type of teacher (Grade D) will be trained. These will be persons who have completed standard VII and have undergone national service. After one year of training at a teachers' college they will take up posts in schools, teaching mainly in the lower standards. At the same time, the training of Grade C teachers will be increased.

New *teachers training colleges* will be built, and several existing ones will be extended:

Songea;	Butimba;
Korogwe;	Dar es Salaam;
Tabora;	Iringa;
Kasulu;	Mtwara.

Secondary Education:

In view of the effort in expanding Secondary Schools in the First Development Plan, it wiil be possible to reduce the rate of development of secondary education and so to save money to devote to primary school expansion. Nevertheless, thirty new forms will be opened and twenty new entry groups in science will be established in form 5. Owing to the country's urgent need of students with subjects related to science (for example agriculture, engineering, water development), all the expansion of forms 5 and 6 will be devoted to science. Eight new secondary schools will be established, twelve will be enlarged and thirteen will have their essential buildings completed during the period. Practical rooms will be added to a number of schools to enable them to carry out teaching in new subjects arising from "education for self-reliance." These subjects include technical and commercial subjects, farming, home economics, crafts, carpentry, etc.

The following *new* Secondary Schools will be built:

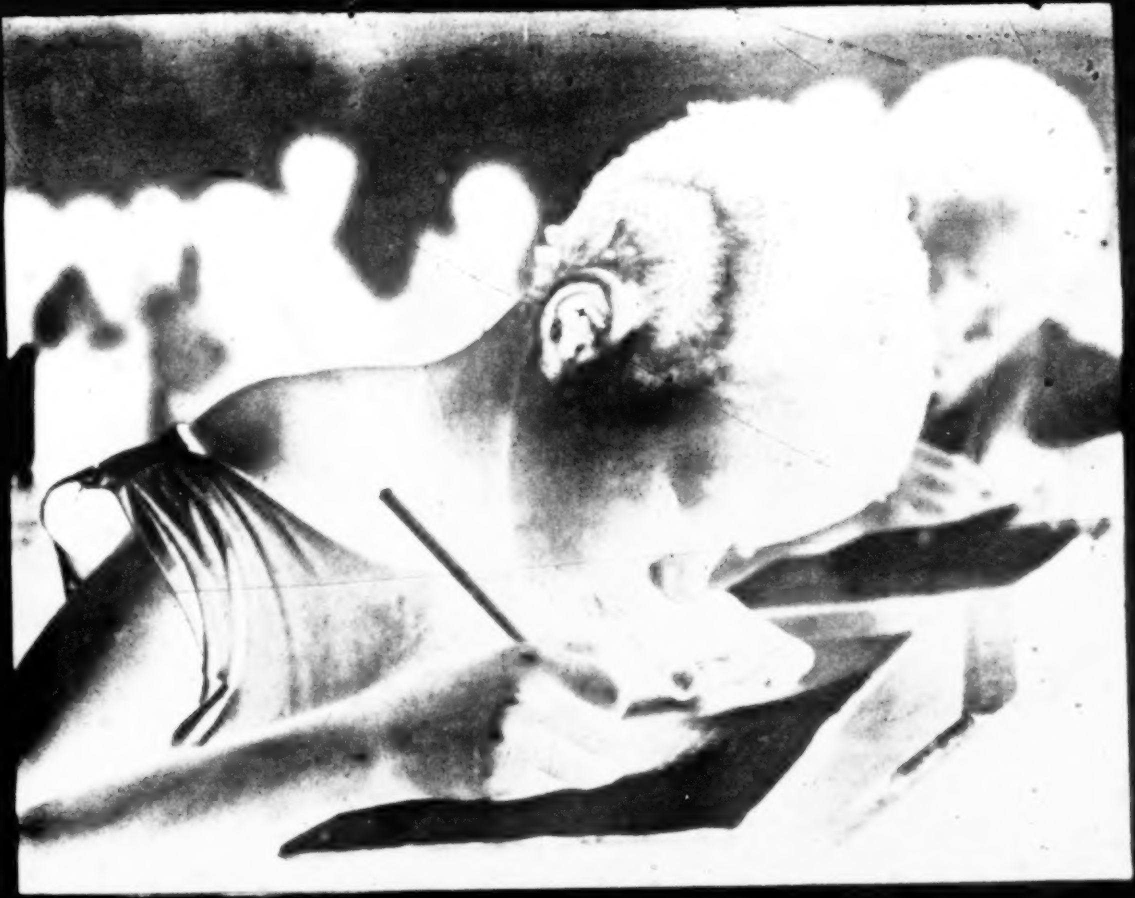
Njombe, Iringa;
Kadatu;
Nzega, Shinyanga;
Tarime, Musoma;
Mtwara;
Sengerema, Mwanza;
Coast Region (Bagamoyo);
Songea (Girls).

The following existing schools will be extended, including completion of ongoing works:

St. Francis, Pugu;
Assumpta, Kilimanjaro;
Msalato, Dodoma;
Tosamaganga, Iringa;
Umbwe, Kilimanjaro;
Galanos, Tanga;
Rugambwa, Bukoba;
Alliance, Dodoma;
St. Mary, Tabora;
Mkwawa, Iringa;
Old Moshi, Kilimanjaro.
St. Andrew's, Minaki;
Livingstone, Kigoma;
Alliance, Musoma;
Marian, Morogoro;
St. Joseph, Chidya;
Alliance, Rungwe;
Ihungo, Bukoba;
Ilboru, Kilimanjaro;
Moshi Technical, Kilimanjaro;
Iyungi, Mbeya;
Tabora Girls;
K.N.C.U., Lyamungu;
Tanga;
Iringa Girls.

University Education:

The *Agricultural Faculty* at the University College, Dar es Salaam, will open in the first year of the Plan. It is proposed to start an *Engineering Faculty* in the fourth year. A new medical building and a polyclinic will be provided to enable the University to increase the output of doctors from 25 to nearly 100 per year. Conversions to the halls of residence will enable them to accommodate a much larger number of students without new buildings. It is expected that during the plan the Dar es Salaam University College will be converted into a full fledged national University.



By the time when this girl reaches Standard IV the Governemnt will have abolished the "Standard IV examination" Until now we have only been able to admit one half of the Standard IV children to continue in Standard V. From 1974 Standard V will be open to all. 1500 new classes will be opened to make this possible.

Adult Education:

Adult education will be organised in rural areas in such a way as to make a maximum contribution to development. In general, the people's primary school will serve as the centre in each community for adult education activities and the headmaster will be responsible, not only for the education of children, but also for the programme of adult education. Thus, the people's school will become an educational centre for peasants and workers as well as for their children.

Adult education will include not only social and political education, but also instruction in useful crafts, agriculture and domestic science. To achieve the objectives of adult education, it will be necessary for the people's school to cooperate very closely with the various Government Ministries and other organisations providing instruction in different subjects relevant to development and with TANU.

Public Libraries:

As funds become available, the system of branch libraries in the Tanzania library system will be increased. Using these branch libraries as bases, a mobile school and rural library service will be organised. Every effort will be made to coordinate the extension of these mobile services with adult education programme and with Ujamaa Village Development.

Employment:

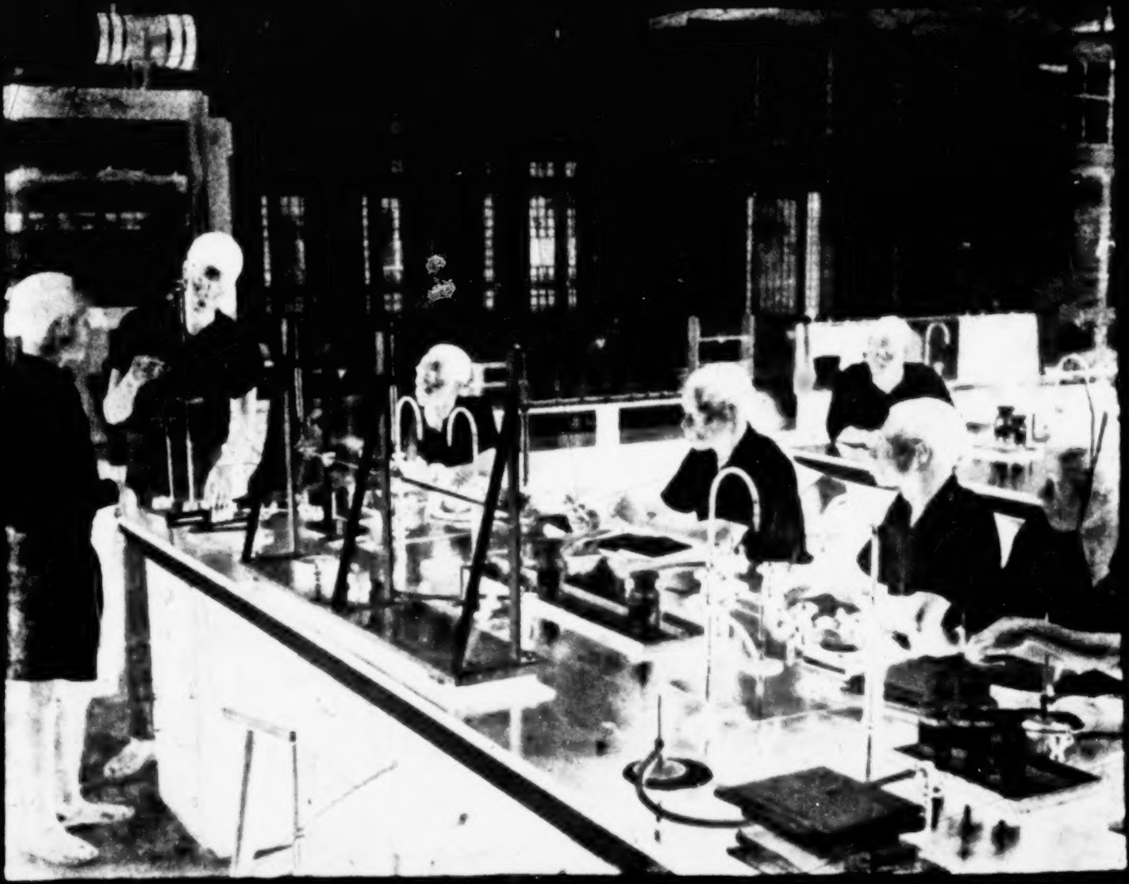
The total number of wage—earners in Tanzania is in 1969 360,000 persons. This is expected to increase to 460,000 in 1974. This increase goes together with development of industry, trade, communications, etc.

The *increase* is very high in relation to the level of employment in 1969, and represents a significant step in creating a broader basis of employment than agriculture alone.

The effort in the developing of Secondary, Agricultural, technical and University education in the First Plan are now giving results. More and more trained Tanzanians enter the professional career. They take over after expatriate personel, and they fill newly created jobs.

The main objective established in the First Plan is to be self-sufficient in high level manpower by 1980. This is still a realistic target. Exceptions will be made for a few highly specialized skills. During the Second Plan the number of expatriate teachers in Secondary Schools will decline from 690 to 80.

But there will still be a substantial need for expatriate skilled personnel throughout the Second Plan in a number of professions, in Government and parastatal organisations. An effort will be made to ensure an adequate flow of those categories of technical manpower, which the country still needs to implement the Second Five Year Plan.



Training of technicians
It is the objective to be self sufficient in high level manpower by 1980, except for a few specialized skills. In the meantime Tanzania will still need technicians from friendly countries to assist in implementing the Second Five Year Plan.

10 RURAL DEVELOPMENT

Almost all programmes of the various Government departments have an element of rural development. You will find in this publication that almost every chapter points this out, for example agriculture, education, health, housing, communications. In this chapter are the Government's general policies explained, in particular in relation to ujamaa and other cooperative efforts. The full picture of the Government's policy for rural development can only be made by also studying the other chapters which deal with rural problems, in particular the section on Agriculture.

Ujamaa vijijini:

The objective of developing ujamaa villages is to farm the village land collectively, with modern techniques of production, and share the proceeds according to the work contributed. People who are farming together can obtain the economic advantages of large-scale farming, in the better utilization of machinery, purchase of supplies, marketing of crops, etc. It becomes easier to supply technical advice through agricultural extension and supervisory officers, who can teach a group more easily in one place, rather than travelling from one small shamba to another. It is also easier to provide social facilities like water supplies, medical and educational services, to farmers who live in groups rather than in scattered holdings.

The equality of farmers in ujamaa communities, with no divisive class distinctions, creates a healthy and stable social system where corruption, exploitation and uneven distribution of wealth can be eliminated.

The best advertisement for ujamaa is a successful ujamaa village. The first essential for successful ujamaa is that it should come from the people, rather than being imposed from above. The Government will therefore strengthen the people's own initiative. TANU and Government are mounting a vigorous programme of promotion.

An educational campaign on a national scale will be launched to explain the meaning and practical implications of ujamaa to farmers and leaders at all levels. At the leadership level, Government and Party leaders will be fully exposed to the underlying principles of ujamaa. For the training of village leaders Maendeleo, in collaboration with TANU will recruit and train a cadre of ujamaa village organisers, who live with and at the level of the people. Their training will include development of leadership skills, and farm management skills. It will be practical and democratically organised. Teaching materials will be prepared on practical socialism (showing what is really involved in a community living together and working together in harmony, and how socialist theory bears on the practical problems of village life); on practical economics, and socialist farm management (how a communal farm works, questions of work organisation discipline, division of proceeds, how to deal with problems posed by communal and private plots, etc.).

As an important element of the policy for rural development, all schools will increase the practical content of the teaching with school shambas etc. with emphasis on the communal effort. Other Government departments will give assistance to ujamaa villages for water supply, dispenseries, agricultural staff, feeder roads, advice on improvement of housing standard and other services.

This general education and promotion will be organised under the responsibility of Regional Commissioners. Rural development officers and specialised staff will be assigned to this task.

Other Government departments will give priority to assist people who commit themselves to ujamaa development:

— Water Development and Irrigation Department will give priority to ujamaa villages in the provision of rural water supplies, when supported by self help effort. Village irrigation schemes suitable for ujamaa groups will be developed.

— The Ministry of National Education will strengthen the place of education for ujamaa in their syllabi, and increase the practical content of the teaching, with communal school gardens and other activities which pay more than a form of lip-service to ujamaa. It is particularly important that teachers should take an active part in the communal activities: There is no example worse than that of the teacher who refuses to dirty his hands in the school garden, while impressing upon the children the importance and dignity of agricultural labour.

— The Ministry of Agriculture, Food and Co-operatives will be responsible for providing crucially important technical support for Ujamaa development. One of the most important objectives of Ujamaa is to modernize agriculture, creating a framework in which the advantages of large-scale production can be reaped without the negative economic consequences of small individual shambas.

As the Ujamaa group finds its feet and its agricultural activities are successfully launched, the group will require commercial advice from the Co-operative Division so that accounts are kept in good order, and proper financial provision is made for further development.

— Where possible a combination of agricultural, economic and commercial advice will be combined to provide a simple farm plan for the group, which will enable the productive activities to be expanded in an efficient fashion.

Programmes for intensive development being mounted by Kilimo (such as tea development) will incorporate ujamaa principles in their basic planning. Similarly, State farms, developed by Kilimo, will seek in all possible ways to encourage and support ujamaa development in surrounding areas.

— District Councils will give priority to Ujamaa Villages, in the distribution of *educational* and *health* facilities, and the building and maintenance of *feeder roads*.

Government departments responsible for *housing* will give priority to assist ujamaa villages in improving the traditional types of houses.

Training:

New Rural Training centres will be organised by reorganising farmers training centres, District training centres and the proposed rural craft centres.

The Rural Training Centres will be used as a supporting service for the overall rural development effort and, in particular, for the improvement of Ujamaa villages. The facilities of the Rural Training Centres will be expanded in response to local priorities and initiatives, in such fields of handicrafts, home economics, special youth training etc.

Support to self help schemes:

In the Five Year Plan each region will have Shs. 1,150,000 which can be used to support self help schemes for community facilities, for example primary school houses, rural dispensaries, ward centres, etc.

Regional development fund:

Each region will have Shs. 6,500,000 in the Five Year Plan (on average Shs. 1,300,000 per year) for its regional development fund. The Regional Development Committee decides how the fund shall be used on productive development projects in the region, feeder roads, bridges, crop stores, small water schemes, buildings for small industry, etc. Each district council brings up proposals each year for projects.

An educational campaign will be launched throughout the country to explain the practical sides of ujamaa to farmers and leaders at all levels. Both the Government and the TANU machinery will be mobilised for this.

11. AGRICULTURE

The basis for all rural development is the development of production. It is only through production that we can create wealth, and increased wealth can only be realised through increased production.

As the rural economy is basically an agricultural economy, there is a very close link between rural development, and increased agricultural production.

There are four factors which can give a basis for higher output:

(*a*) The need to *improve the diet* gives some scope to increase production, for example vegetables, dairy products, meat, fish.

(*b*) The need to produce in the country *the products which now are imported* from abroad, is another incentive, although it only affects a few crops, e.g. rice, wheat and dairy products.

(*c*) The need to produce food for an *increased urban population*, represents another, but very minor basis for increased agricultural production. Today there are at least 100 farmers for each 10 wage-earners outside agriculture. Even if an increase in the number of wage-earners is foreseen, there will by 1974 still be only around 14 wage earners for each 100 farmers. Consequently this will not give the basis for any large increase in agricultural production, but will provide a ready market for the surrounding farming communities.

(*d*) Finally, there is a scope for *selling more Tanzanian farm products to other countries*. Here, the possibilities vary from crop to crop, depending on how much other countries are willing to buy, and what prices they are willing to pay. More about this later

Crop priorities:

For each of the main crops the Government has decided what development we shall aim at. Here are the main points in this policy:

(i) Crops for which a high growth (each year at least one tenth higher than the preceding) is aimed at:

- Rice
- Meat
- Dairy products
- Wheat (also a need to reduce production costs)
- Fruit
- Vegetables
- Tea (also a need to improve quality)
- Flue-cured tobacco (also a need to improve quality)
- Cotton
- Cashew nuts (also a need to improve quality)
- Oilseeds
- Seed beans

Tobacco is, together with tea, cotton and cashew nuts, one of the important crops where there is planned a substantial increase in output and sales to other countries

- Soya beans
- Kenaf
- Wine grapes
- Fish.

(ii) Crops for which a lower growth is required:
- Maize (also a need to reduce production costs)
- Sorghum
- Millet
- Bananas
- Sugar.

(iii) Crops for which there is a limited, or even declining market:
- Sisal
- Coffee
- Pyrethrum
- Fire-cured tobacco.

Here are some features of the programme for some of these products:

Livestock:

Tanzania has large possibilities for increased production, both for home market and for export. The limiting factors are cattle diseases, marketing and processing, and lack of knowledge and understanding among peasants for the income potential of dairying and meat production.

The Government intends to make an effort aiming at reducing all these limiting factors, through:

— expansion of cattle dipping schemes and veterinary services.

— better use of existing grazing areas. The United Nations will assist in a project affecting Masailand, Sukumaland and Tabora and Dodoma regions.

— a new organization under Kilimo for marketing of cattle. One new big abattoir will be built in Dodoma, and a smaller, including a cold storage, in Mbeya.

Cotton:

Kilimo will allocate large numbers of agricultural officers to assist in the cultivation, and in the implementation of the credit programme for insecticides and fertilizers.

Provision of water into new areas in the western part of the cotton areas will encourage new families to settle and grow cotton.

Tea:

The programme is to plant large new areas in Tukuyu, Bukoba, Lupembe and Usambara. It is intended to open areas which altogether are four times as large as the new areas opened during the First Plan, (20,000 acres and 4,500 acres, respectively).

Moreover, the Government will strengthen its administration to prepare for an even larger expansion after 1974. To support this ambitious tea development programme, the Government will allocate a large number of extension staff, and planting material and fertilisers under a special credit arrangement. Co-operative groupings of farmers will be strongly encouraged.

Tobacco:

Over recent years Tanzania has successfully increased her salesof flue-cured tobacco in the world market in sharp competition with other countries. There is a scope for a further large increase. The Government will apply measures similar to what has been stated for the tea production. Iringa, Chunya, Tabora, Mpanda and Tunduru are the major centres for flue-cured tobacco.

Wheat:

The objective is to make Tanzania self sufficient in wheat, preferably before 1974. The creation of 10 state farms represent the major Government measure to implement this. Sumbawanga will be a new center of production in addition to Arusha and Kilimanjaro regions and it is proposed to construct a flour mill which will supply the western part of the country.

Cattle ranching. The plan includes a programme for a vigorous increase of livestock in Tanzania. For milk, cheese, ghee, butter, the plan is to become self sufficient. For meat an increase in sales abroad is foreseen. For all these products also the local consumption will increase.

Coffee, Sisal, Pyrethrum:

These three crops grow very well on Tanzania's soil, but we cannot expand their production, since any increase must be sold abroad, and the foreign markets are not very bright.

For *Coffee*, there are too many developing countries which try and sell more, but the industrialised countries do not increase their consumption.

For *Sisal*, the existing markets are not growing. Tanzania has had to maintain sisal production at about the present level.

For *Pyrethrum*, which is used for making insecticides, chemical industries make other, cheaper products which make it impossible for us to sell more pyrethrum.

State Farms:

Some crops are best fit for large-scale cultivation. State farms represent a rational organisational structure for this. In the Plan the Government states its intention to establish 29 new state farms for the following crops:

Wheat	10	farms
Rice	4	„
Wine-grapes	1	„
Dairy farming	2	„
Cattle ranches	9	„
Oilseeds	1	„
Coconuts	2	„
Total	29	farms

The state farms will serve as a model, introducing innovation in crops and techniques which can be taken up by ujamaa groups in surrounding areas.

Water Development:

Throughout Tanzania water is essential for household use, for livestock and the crops. The Government pays great attention to improve water supplies in rural areas and in townships. Today a very heavy and time-consuming work is being done by the women in Tanzania, by carrying water to the house. Better water supply is of great *importance* for health and hygiene.

Because of the limited resources it will take many decades before everybody has a good supply of clean water.

Therefore, the available finance must be used in a manner which gives water to the largest number of people. Low cost projects will be carried out before the more expensive projects.

If the available resources are to benefit more people, the participation of the people through self help is a necessity.

Throughout the country the Government will continue to build water projects and assist local schemes.

Fisheries:

Tanzania's most important fisheries are in Lake Victoria. Other lakes are also of some importance (Tanganyika, Nyasa, Rukwa, Kitangiri) and so are the coastal fisheries. But fish is still very little used as food in the country as a whole. There is a great scope for development, which will benefit both the fishermen through higher incomes, and also the consumers because fish is a very valuable food.

The Government will carry out research to find the future potential both for coastal and lake fisheries. Other projects include development of fisheries villages on ujamaa basis at Moa, Bagamoyo, Pangani, Mafia, Kilwa and Lindi. Similar projects will be located at the lakes.

Fishing port facilities will be developed in Tanga, Dar es Salaam and Mikindani on the coast, and in Mwanza, Bukoba and Musoma. These facilities will incude a landing quay, fish market, ice factory and storage. Later on, boat yards, fish processing, and engine repair will be incuded.

Mwanza will get a new receiving station for fish.

Kigoma will get a plant for drying of dagaa.

Forestry:

The development plan includes programmes for planting of new forests, for construction of sawmills, and for establishment of industries using wood as raw material.

Tanzania's forests represent a very valuable source for economic use. They provide firewood and building materials, and some wood are sold to foreign countries. Experiments are going on as to the possibilities for using Tanzania wood as a raw material for making paper. For firewood and building materials, village committees and schools are expected to plant village plantations with the assistance of Forestry and Agricultural staff.

Training:

The programmes for rural development call for a large increase in agricultural and cooperative officers, and other staff who give assistance to farmers.

This is especially for ujamaa villages, for production of cotton, tea, for fisheries and for co-operative marketing.

It is the intention to double the total number of staff over a 12 year period from 1968 to 1980.

New schools must be built: A new agricultural faculty under the University College, will be established from 1969 in Morogoro. Three more school (at "diploma" and "certificate" level) will be built, one of which in Mbeya. The location of the others is not yet decided.

Maize is together with bananas Tanzania's most important food crop. The plan foresees an increase in production of maize to make the country self sufficient.

12. INDUSTRY

Modern industry is an essential element of economic development. Experience from countries all over the world tells us that modern, mechanical methods of production is unseparably linked with economic development.

It is a basic target for the Government gradually to develop a variey of modern industries in Tanzania. This is not inconsistent with the emphasis on rural development. On the contrary. The development of the rural economy is dependent on the growth of urban markets of wage earners from industry who buy the farm products.

A fast growing group of industrial workers will make it possible for the farmers to market increased volume of their produce. And the growth of modern industry will make locally produced, cheap manufactured goods available to the rural population.

At the time of independence Tanzania had hardly any industry. This demonstrates, in fact, in very clear terms the basic characteristics of a colonial economic system. Tanzania was entirely an agricultural producer, selling her crops in an unprocessed stage, to industrialised countries, from where the country had to buy all her manufactured and processed goods.

Already the first Five Year Plan saw the first, fundamental changes in this. Some basic industries were established, mostly with Government participation, for production of cement, textiles, refined petroleum products, and a variety of food, beverages and other consumer goods.

However, the First Plan only laid the foundation for an industrial sector of the economy. In 1969 there are not more than 40,000 industrial workers in Tanzania. This means that there are around 500 farmers for each industrial worker. In European countries, which also started their development with a similar high number of farmers for each industrial worker,there are to-day many *more* industrial workers than there are farmers.

The Governemnt aims at a continued rapid growth of industry in the Second Plan. Altogether 300 new industrial projects will be considered for being established, and extension is foreseen in a number of existing factories. The plan implies that the number of industrial workers will increase from about 40,000 in 1969 to around 60,000 in 1974. Even is this means that industry will not yet have become any major sector of the economy, it means that we shall go as fast as it is possible in developing industries, considering the limited financial resources, the limited resources of the highly qualified personnel and the difficulties in selling industrial goods in competition with so many other countries.

Following the Arusha Declaration, the Government has assumed control over the most important areas of industial production. Therefore it is the responsibility of the Government and co-operatives and their commercial organisations to create the new projects, either by their own or in partnership with private partners. The National Development Corporation is the Governement's arm in carrying out industrial development.

In chapter 19, urban Development, it is explained how the Government will take measures to avoid that new industries are too much concentrated in the Dar es Salaam, and how a fair distribution will be made of new industries throughout the country.

New industries will make it possible for Tanzania to produce in the country commodities which we now have to buy from other countries. examples of this are milk, butter, ghee, cheese, which now almost exclusively brought from Kenya, textiles which are brought from a number of countries, and where national industries already early in the Second Plan will produce enough for the whole country, and automobile tyres where the new factory in Arusha, which will shortly be constructed will greatly eliminate the need to buy tyres from abroad. In the latter case however, and in many others, we shall have to buy from other countries some of the raw materials needed.

Other new industries will make it possible for Tanzania to sell products to the other countries, and earn revenue for the nation. One important aspect of this, is the East African Common Market. More about that in Chapter 8.

Small-Scale Industriess

In addition to the larger industrial projects handled by NDC and other big organizations, the small-scale industry has an important role to play. The Government will through special measures assist local craftsmen, who start small scale production of woodwork, metalwork, clothing etc. and various repair work. Through the National Bank of Commerce loans for purchase of machinery will be made available. The Government will provide training, and advisory services for craftsmen. On the basis of the experience from the Small-scale industrial Centre in Dar es Salaam, the Government may assist in creating similar centres elsewhere. There is also a need for assistance in marketing of products from small-scale producers.

13. MINING

Mining in Tanzania has been dominated by *diamonds*. Until a few years ago the sales of diamonds to foreign countries gave Tanzania a revenue as large as from the sale of coffee, or of cotton But during the coming years diamond revenues will not be so substantial The work at the Mwadui mine, which is by far the most important will have to be supplemented by new minerals. The Government will press to find and exploit other resources.

Other minerals are extrated on a relatively small scale: gold, silver, tin, tungsten, limestone, salt, gypsum, mica and magnesite.

It is planned to stimulate production for some of these, where there seem to be possibilities for it, tin, salt and mica.

Gemstomes represent a relatively new, but increasingly important product. In various parts of the country, particularly in Arusha Region, there are resources of gemstones which are sold at good prices in foreign countries. Recently, a hitherto unknown gemstone has been found, and it has been given the name "Tanzanite".

Experts think that there are still mineral resources in Tanzania which have not yet been found. Therefore the Government will through the Mineral Resources Division organise geological surveys and other investigations to locate and exploit new resources.

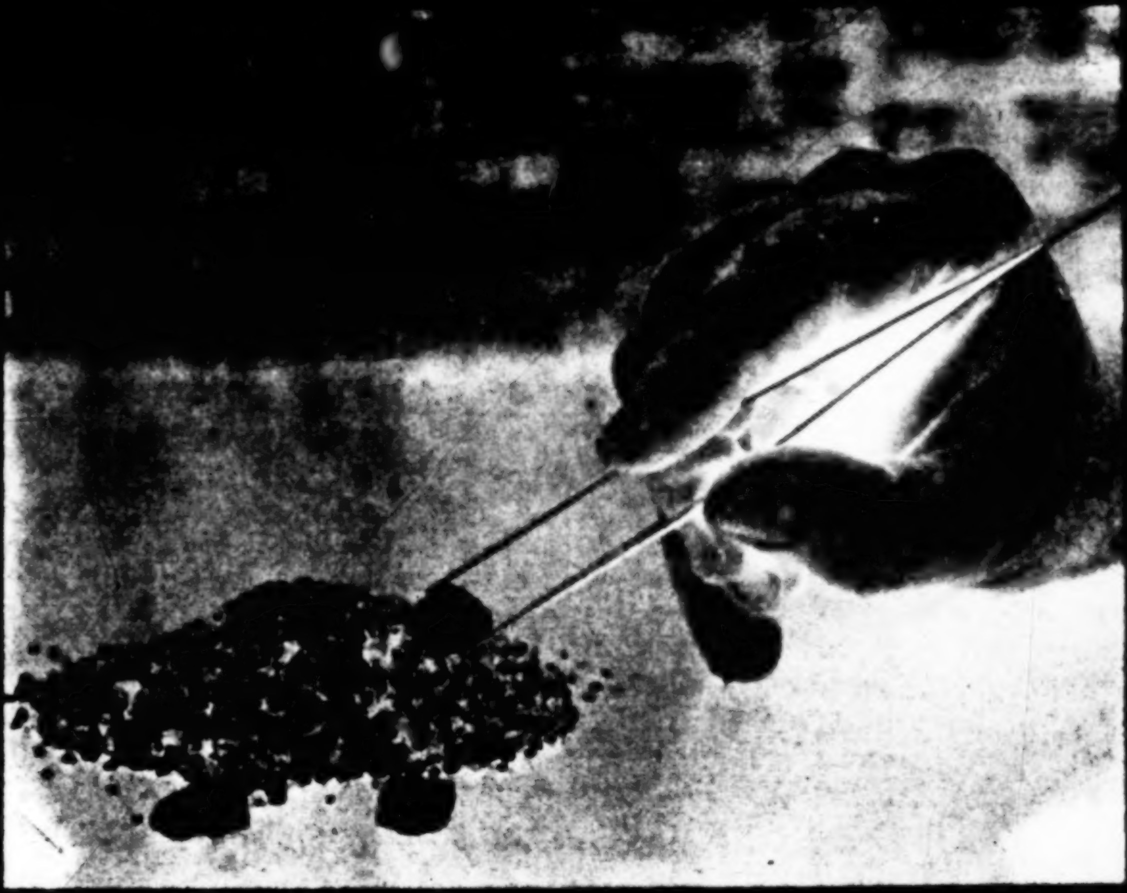
Tanzania has large deposits of *iron ore* at Liganga in Njombe district. Before the iron ore can be processed into steel for use in building industry and other industries, it must be separated from other minerals with which it is bound.

It is possible for the engineers and metallurgists to do that. Vigorous steps will be taken to find ways of exploiting these reserves so that we are competitive with other producing countries.

Such studies are made, and will be concluded early in the Plan period. It is the intention of the Government to prepare a large scale iron ore mining and the connecting steel-making. To process the iron ore into steel one needs large amounts of energy. This may be provided by electricity generated at a new water power plant in the South. It may also be a possibility to exploit the coal deposits at Ruhuhu not far from Liganga.

Gold-mining has previously been of importance in Tanzania, but the mines have gradually been emptied. The gold mine in Geita was closed in 1966, and the remaining mine of any importance in Kiabakari is almost emptied.

However, there are still chances that new gold deposits may be found. The United Nations is assisting Tanzania in exploring these possibilities in the areas round Lake Victoria.



Diamonds are still the major product from mining in Tanzania. The Government has launched a number of studies to find new minerals which can be exploited.

14. COMMUNICATIONS

Good communications between the various parts of the country for carrying of goods and people are a necessary condition for economic development. The farmer cannot have his crops marketed or exported unless there is a road or a railway. Trade and industry are evenly dependent on good, all weather communications.

The population in Tanzania lives mostly in rather concentrated centres throughout the whole country with large areas of scattered population between. This makes it an expensive and big task to establish and maintain an appropriate network of communications.

Almost every part of Tanzania has an urgent need for new roads and for improving existing roads. However, as our resources are limited, not all projects can be implemented during the Five Year Period 1969—74. Many must be postponed till subsequent Five Year Plans. In the present plan the Government has struck a balance between the requirements of communications, and other programmes.

Roads:

Roads represent by far the biggest development programme among the Central Government programmes. It will be allocated about one third of total financial resources.

Construction of trunk roads linking the different parts of the country will dominate the programme. The longer term strategy is to have a grid of trunk roads with 3 main roads running North-South, and 4 East-west as shown on the map.

Gradually, towards 1974, as the trunk road programme is more advanced, more emphasis will be laid on local roads.

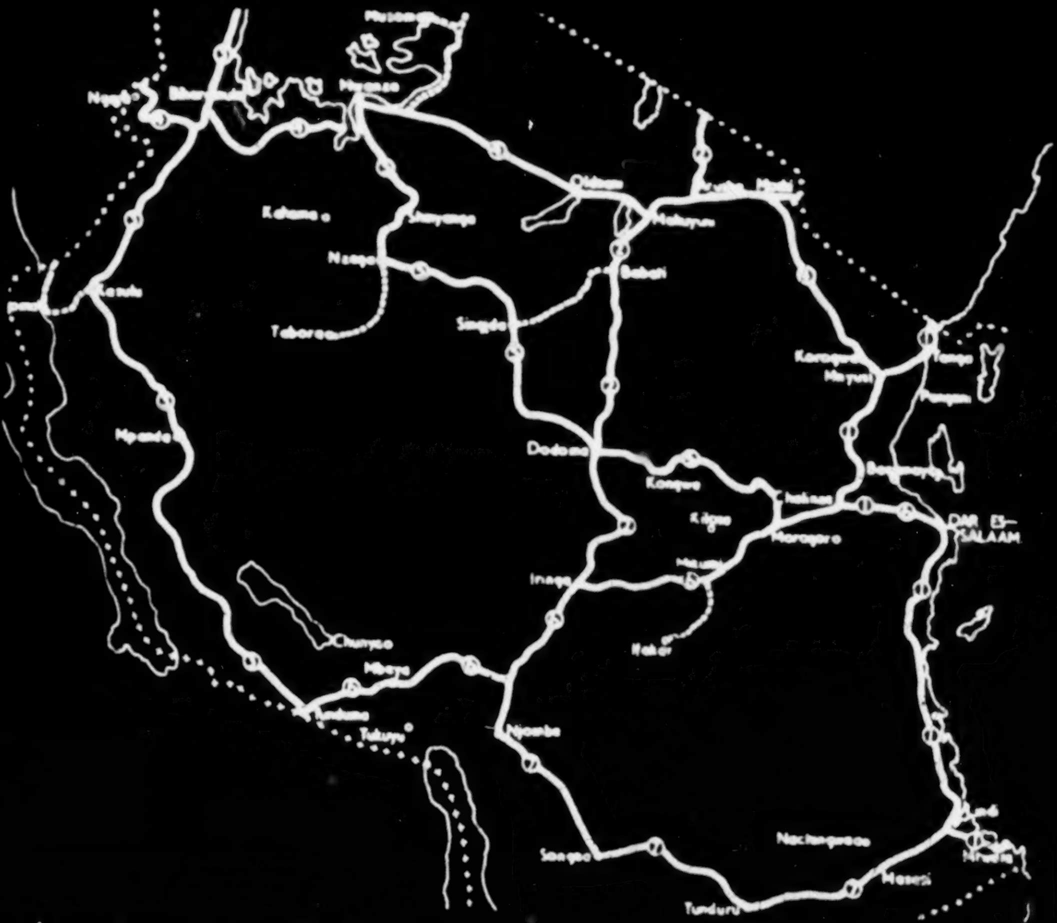
The road Dar es Salaam —Morogoro—Iringa—Mbeya—Tunduma has the highest priority. This road will link Zambia with her friendly neighbouring countries in the spirit of African co-operation.

The road will also be of importance for Iringa and Mbeya regions. Other major road projects included in the plan are:

Mwanza — Arusha
Usagara — Shinyanga
Bukoba — Kyaka
"Cotton roads", Geita
Mtwara — Migoyo — Masasi
Msolfa — Ifakara

Structural improvements are planned for the following roads:

Masasi — Tunduru — Songea
Lusahunga — Ngara — Ruanda
Bukoba — Mlemba — Biharamulo
Uvinza — Mpanda
Tunduma — Sumbawanga


Bukoba
Mwanza
Musoma
Kahama
Shinyanga
Nzega
Tabora
Kasulu
Kigoma
Mpanda
Singida
Babati
Makuyuni
Arusha
Moshi
Korogwe
Tanga
Pangani
Bagamoyo
Dodoma
Kongwa
Kilosa
Chalinze
Morogoro
Mikumi
DAR ES-
SALAAM
Iringa
Ifakara
Chunya
Mbeya
Tunduma
Tukuyu
Njombe
Songea
Nachingwea
Lindi
Mtwara
Masasi
Tunduru

The main road network in Tanzania will consist of 3 roads going South-North, and 4 roads East-West, as shown on this map. Of these only Dar es Salaam—Arusha — Kenya border, and Dar es Salaam — Iringa — Mbeya — Tunduma will be at First class, bitumen standard in the Second Plam.
For the other roads sections of them will be finished with a view to have the full length finished during subsequent development plans.

Airports:

The *Airport* development programme is dominated by the new Kilimanjaro International Airport, which will be situated on the Sanya Juu plains between Arusha and Moshi. This airport has a treble purpose:

(1) Replacement the existing aerodromes serving the local traffic to Arusha and Moshi, which due to their proximity to Mount Meru and Kilimanjaro, are navigationally unsatisfactory, and can only receive smaller planes.

(2) Provide adequate air service to Arusha as the centre for the East African Community.

(3) Serve as point of arrival and departure for the tourist trade in Northern Tanzania.

Coastal Shipping:

The Government will seek to establish a modern, fast, regular *coastal* shipping service between Dar es Salaam and Mtwara which also will be servicing other points on the coast.

The final solution to the communication problem along this coast is an all-weather road. But the expenditures for such a road across the Rufiji delta are so high that the project must be postponed.

East African Corporation:

Railways, harbours, airways and post & telecommunications are operated under the four respective East African Corporations.

The railways development programme consists mainly of improvement and modernisation with a view to provide better transport services. It is intended to replace all steam engines by diesel before 1976. and to put on fast passenger trains between Tanga and Moshi, Tabora and Mwanza.

Harbours:

The coming years will see a strong expansion of the Dar es Salaam harbour; as a result of a continued growth in Tanzania's foreign trade, and as a special factor of importance because of the increase in the transit traffic. This trend will be reinforced when the TanZam railway is expected to be finished in the Second half of the seventies. In addition to the 3 existing deepwater berths, 3 more are under construction, and it is intended to start work on another two berths early in the Second Plan period, and further two before 1974. When it is fully implemented Dar es Salaam will by the mid-seventies have 10 deep water berths and a new mooring arrangement for big tankers outside the harbour basin. It is the Government's intention that East African Harbours Corporation improve Tanga harbour. With anticipated new industries in Tanga it will be justified to build a deep water berth which will make goods handling much easier than present lighter arrangements.

Tanzam Railway:

The biggest investment in Tanzania since independence is the TanZam railway, to be undertaken jointly by Tanzania and Zambia. The whole distance is 1166 miles (1880 kilometers).

The surveying of the railway is in progress and is scheduled to be finished in 1969. The plan for constructing and financing the railway will then be considered, and later harmonised with the 5 Year Development Plan.

The communications programme in the Second Plan will be dominated by the Tan-Zam road and railway. Towards the end of the plan, more emphasis will be laid on local feeder roads

15. ELECTRIC POWER

Electricity is an important factor for industrial development, and for the living standard of the families. To-day electricity is only available to a minor share of the population. 9/10 of all electricity is used in Dar es Salaam — Tanga — Morogoro area, and in Moshi — Arusha. The remaining one tenth falls on a dozen townships and their surrounding areas. Very few rural areas are yet supplied.

It is the intention of the Government gradually to extend the supply of electric power to more and more people, but this will be a very long term programme. Electricity can only be supplied economically when there exists a certain demand for it, and in most rural areas this demand is still too low.

The demand for electricity in the Dar es Salaam — Tanga area will increase so strongly in the coming years that it will make it economical to construct a big hydro-electric plant at Kidatu at Ruaha River. This will be Tanzania's biggest power station.

When the first stage is finished in 1973 it will be able to generate 50,000 kilowatt. This vast volume of energy corresponds to 68,000 horse power. If used in electric bulbs, it could keep alighted 2 million bulbs of 25 watts each.,In the second stage the production can be 4 times as high! By then the whole plant will have cost 488 million Shillings.

The Arusha — Moshi area will have have its electricity supply increased with the completion of the Nyumba Ya Mungu plant in 1969. Its 15,460 kilowatt are supposed to be adequate up to 1977.

In the other areas of the country existing plants will be expanded as necessary when the demand increase.

Almost one half of all electricity in Tanzania is used as power for industry. Indeed, electric power is essential input in modern industry.

The electrification programme is therefore closely geared to the industrial programme.

However, besides the bulk of the increase of electric supply which will go to industry and to the major urban centres, there will also be an expanded programme of extension of electric supply in small townships.

Moreover, the possibilities for supplying electricity into rural areas will be seriously studied. For economic reasons this experimental start in rural electrification will be started during the plan period in fairly densely populated areas, where small-scale industries. artisanry, and other economic activities are available. Kilimanjaro, Pare Ukerewe and Tukuyu are some of the posible areas for rural electrification.

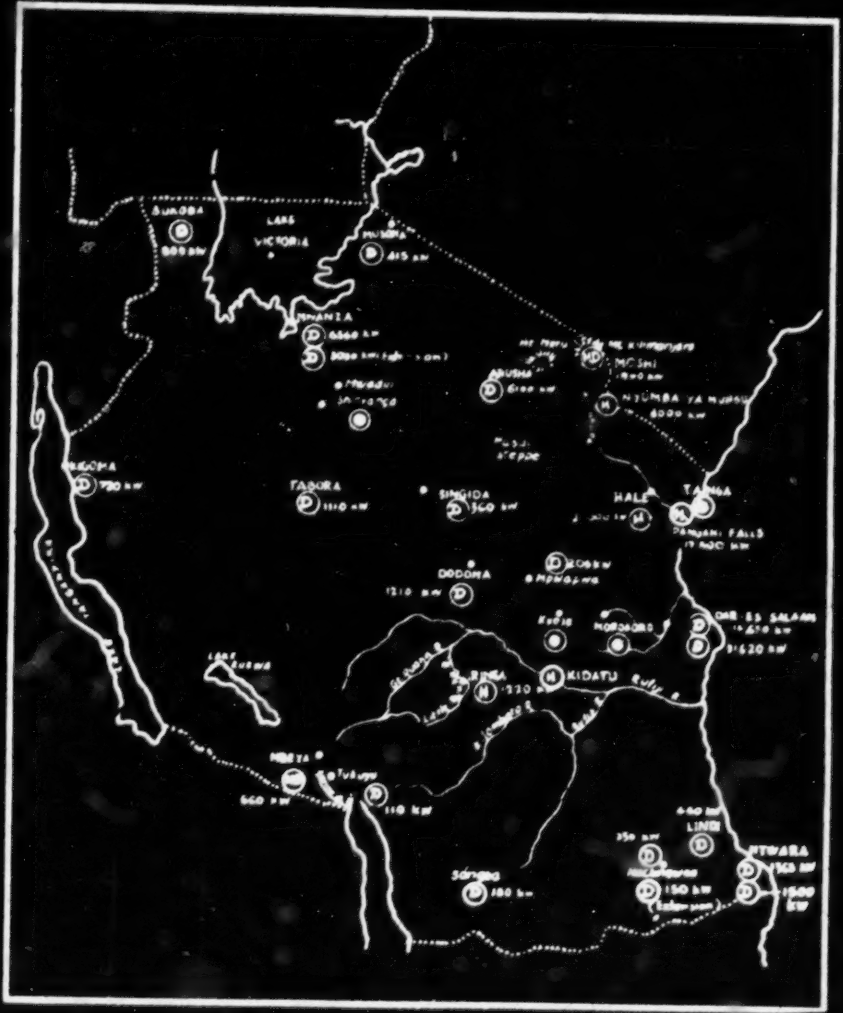
Tanzania's rivers provide vast amounts of water power, which represent a valuable natural resource. Water power gives cheap electricity. Once the high capital costs are paid, the running water replaces oil or coal which otherwise must be purchased as fuel for generation of electricity.

Three big new projects will be subjected to technical and economic studies during the Second Plan with a view to exploitation after 1974.

(*a*) **Kagera River.** This river which originates in Ruanda forms the border, between Ruanda and Tanzania, and runs finally into Lake Victoria. The study will be made jointly by the two countries with a view to a joint project.

(*b*) **Kiwira River** in Mbeya region, which may be developed into an important source of energy in that part of the country.

(c) **Stiegler's Gorge** in Ruaha River. This has a very big potential and can only be exploited economically when industry is ready to take large quantities of electricity. Technical studies will be carried out but no implementation can be foreseen until after 1980, and may be only after 1990.



BUKOBA
800 kW
LAKE VICTORIA
MUSOMA
415 kW
MWANZA
6560 kW
MOSHI
ARUSHA
6100 kW
NYUMBA YA MUNGU
8000 kW
Masai Steppe
KIGOMA
720 kW
TABORA
1110 kW
SINGIDA
360 kW
HALE
TANGA
PANGANI FALLS
17 400 kW
205 kW
Mpwapwa
DODOMA
1210 kW
Kilosa
MOROGORO
DAR ES SALAAM
31 620 kW
KIDATU
Rufiji R.
IRINGA
220 kW
LAKE RUKWA
MBEYA
Tukuyu
660 kW
110 kW
440 kW
LINDI
350 kW
MTWARA
Songea
180 kW
150 kW
1500 kW

The map shows the areas and towns which are supplied with electricity. It is the intention of the Government gradually to extend the supply of electric power to more and more people.

16. TRADE, AND MARKETING

Following the Arusha Declaration, the Government created the State Trading Corporation. It took over former private, foreign trading companies. The purpose was to bring under national control the important functions of import trade and internal wholesale trade. As it is explained in chapter 6, the Government will try to get away from the traditional consentration of the foreign trade on a few West European countries. The Government wants to increase the trade with other parts of the world. The State Trading Corporation is the main instrument for carrying out this policy.

The State Trading Corporation is also the basis for a Government Control over central part of the trade functions, in line with Socialist principles.

During the Scond Five Year Plan, the State Trading Corporation will consolidate and expand its position., With a view to assist Tanzanian industries to expand their sales to our East African neighbours, they will open new sales centres in Kenya and Uganda.

The State Trading Corporation will also open branches in towns within the country, to improve the supply of commodities from the import harbour and the local producer tothe various local centres.

The *co-operative* unions and societies have a very important role to play in the Five Year Plan. There is a great need to improve the whole marketing process of the crops which shall be sold abroad. And there is a new challenging task in establishing much better links between the farmers and the domestic consumers' markets.

In several parts of the country farmers are prevented from utilising existing possibilities of production (for example fruit, vegetable, milk) because there is no organised local marketing of these products. This is primary a task for the co-operative movement, and for agricultural authorities.

A great emphasis will be laid on this task in the coming years.

A special problem is the storing of farm products. Both at the individual farmer, at the Primary Co-operative Society and at the Co-operative Union, great losses in the value of the crops incur as crops are damaged by water, and attacked by insects, birds, rats. The Ministry of Africuculture, together with the co-operatives, will take measures to improve storage facilities. The Ministry will provide advice on the building of good crop stores. At the local level, these may to some extent be financed through the Regional Development Fund, see Chapter 10.

The development of co-operatives has been hampered by shortage of trained staff. This has made it difficult to have the co-operatives properly administered, and have an efficient marketing. Large improvements can be foreseen in the Second Plan. The total number of co-operative officers of all grades will by 1974 be around 3 times higher than in 1968.

The co-operatives will continue to have crop marketing as their most important function. But the Government intends gradually to link the co-operative effort to the Ujamaa movement in rural areas. This will eventually lead to co-operative societies which are engaged both in production and marketing, and also in processing a farm products, (ginning, curing etc.).

It is also the objective to stimulate development of consumers' co-peratives. When the consumers organise themselves and make their purchases in their own co-operative store, this will gradually eliminate the private retailers.

A town market. The Government intends to assist farmers and co-operatives in channeling their products to the consumer centres. This will give higher revenues to the farmer, and better food supplies for the urban people.

17. TOURISM

When foreign tourists come to Tanzania, they pay for hotels, travel, food and for purchases of local crafts and other products. They pay fees to the Government in National Parks. All this gives incomes to Tanzania, and it gives employment to people in hotels, transport, crafts and other jobs.

In Europe and in America more and more people go abroad in their holidays. Modern air traffic enables them to travel very far in a short time. Tanzania, together with her East African neighbours enjoy a very favourable position in attracting tourists. This is the only part in the world where great concentrations of wildlife do still exist in their natural surroundings. As additional attractions Tanzania has Mount Kilimanjaro — Africa's highest Mountain — and the beaches on the coast which offer excellent opportunities for swimming, fishing and other watersports.

It is difficult for Tanzania to have the sufficient *increase* in her revenues from selling farm products to other countries. The possibilities for an *increase* in revenues from other countries in tourism are much brighter.

Tanzania has for a long time been a tourist country, but only on a small scale. Tourism has not yet been developed to an industry of major importance.

The development programme for tourism in the Second Five Year Plan is the first step to make tourism of real importance to the country.

Tanzania had in 1967 about 34,000 tourists. It is envisaged that this will increase to more than 100,000 in 1974.

In the past tourists to Tanzania have usually started or ended their African safari outside the country. Also in the future we shall expect many tourists to arrive from our neighbours or leave Tanzania via neighbouring countries.

But it is the intention of the Government to expand the tourist circuit in the Northern Tanzania so that it represent a full safari on its own. A new feature in tourism will be another circuit, which will include Dar es Salaam beaches, Zanzibar, Mafia, as well as Mikumi and Ruaha National Parks. Tourists use to travel around from one place to another, and these two circuits will offer great oppprtunities for them to do so.

Various important *communications* projects will serve tourism development in addition to other transport and travel. Thus, the recently finished new road linking Dar es Salaam with Moshi and Arusha is also of importance for tourism. The same is the case for the Tanzam road under construction in the Second Plan, as it will facilitate travel between Dar es Salaam Mikumi and Ruaha National Parks. The new road which shall link Arusha and Mwanza, will improve the access to Lake Manyara, Ngorongoro and Serengeti.

Finally the proposed new Kilimanjaro International Airport will be of importance for development of tourism in Northern Tanzania.

The hotel development programme is the most urgent, since we do not yet have hotel rooms enough. The following new hotels and wildlife lodges are planned, (some of them are under construction, and will be ready early in the plan):

Lobo Lodge)
Seronera Lodge) Serengeti
Ngorongoro Lodge
Lake Manyara Hotel (extension)
A big hotel at Arusha
Mount Kilimanjaro Lodge

Mikumi Lodge
Kunduchi Beach Hotel
Bahari Beach Hotel Dar es Salaam
Zanzibar Beach Hotel
Mafia Fishing Lodge
New Africa Hotel, extension

Most of these hotels, and others which have not yet reached the planning stage, will be built by the Tanzania Tourist Corporation. Several private hotels are also under planning.

National Parks:

The National Parks have a dual purpose: to conserve the unique wildlife resources for future generations, and to serve the tourists. Roads, bush clearing etc. will be carried out to meet the requirements of the increase in visitors.

Development works will be carried out in Arusha, Lake Manyara, Tarangire, Gombe, Rukwa National Parks. It is also planned to carry out works in a proposed new national park at Mount Kilimanjaro and in Selous game reserve.

As a new feature in wildlife conservation marine life reserves will be established on the Indian Ocean Coast. The purpose is to conserve the very attractive coral reefs with their rich variety of fish, shells, corals and plants. Fish and shells are to-day caught and collected to an extent which gradually extinct them. Within the regulations of marine reserves these beautiful and rare varieties of nature will be preserved for the future.

East Africa is the only part of the world where great concentrations of wildlife still exist in their natural surroundings. The development of tourism in the Second Five Year Plan is the first step to make tourism of real importance to the economy of the country.

18. HEALTH

The emphasis of the health programme will be on measures to prevent people from becoming sick, rather than on building more hospitals etc.

In the long run this is the best method to improve health conditions. It is very expensive to build and run hospitals, so even if all efforts were concentrated on this, we would only reach a small number of the population. However, a few new hospitals will be built, see below.

There will be four main elements in the health programme.

(a) **Better nutrition— especially for children**

Malnutrition is often the reason why many children are sick and die. The Ministry of Health will organise teams which will visit towns, villages and helth centres and give advice on how to improve nutrition. Other Ministries, for example Agriculture, will be involved in this, and stimulate the production of better food crops etc.

(b) **Better water supply, and other measures to improve sanitation:**

It will be seen from chapter on agriculture that there will be increased Government funds going to rural water supply. Clean water is one of the most important factors to improve health and hygiene. By the end of the the Second Plan there will be about 200 health inspectors throughout the country who give practical advice on water, sanitation, latrines etc. This represents about twice the number of 1969.

(c) **Better care for mothers and children:**

Through centres and hospitals the Government will increasingly, improve the advisory and medical services to mothers and children. These are a group of the population who are very vulnerable from a health point of view. These services will include medical control and service for pregnant mothers, delivery service, and advice on the care of babies. Service will include vaccination, advice on the right food etc. This part of the health programmes will also include advice and assistance to the mothers on the spacing of children.

(d) **Control and vaccination against communicable diseases**

A control unit will be established by the Ministry of Health for the measures necessary to control the major communicable diseases, like leprosy, tuberculosis, sleeping sickness and smallpox. The Government will give increased support to existing programmes of vaccination and control of such diseases.

Health centres:

Most of the health programmes will affect the rural population.

The basis for the health work will be the *Rural Health Centres*, Each shal serve 50,000 people, (8000—10000 families) and the country therefore needs 275 in 1974. There exist to-day 90 health centres, and 80 new will be built during the plan. This will significantly improve the existing situation.

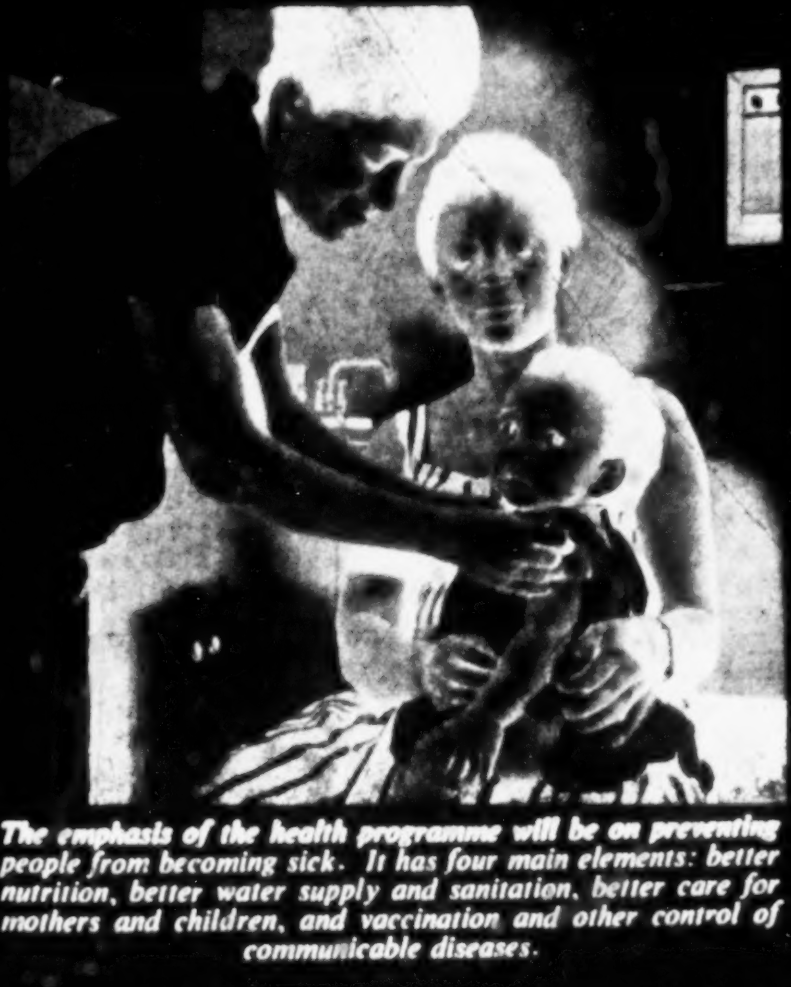
Tanzania has to-day one dispensary for about every 1500 families, but many of them are not satisfactorily equipped with medicines and staff. No great increase in the number of dispensaries is foreseen, but the Government will improve their standard.

Hospitals:

New regional hospitals will be built in Musoma and Dodoma. Extensions will be carried out at the district hospitals of Kigoma, Ligula, Bombo, Utete, Njombe, Tarime, Sumbawanga, Kahama and Singida. The two new hospitals in Mwanza and Moshi which are under construction in 1969 will be completed.

Doctors, nurses, health inpectors etc.

About 250 new Tanzanian doctors will start their work as the medical school at Muhimbili has come into operation, in addition to the medical school in Kampala, and overseas schools. Other training programmes concentrate on personnel for the rural health centres.



The emphasis of the health programme will be on preventing people from becoming sick. It has four main elements: better nutrition, better water supply and sanitation, better care for mothers and children, and vaccination and other control of communicable diseases.

19 URBAN DEVELOPMENT

Dar es Salaam is by far the biggest town in Tanzania, and it is growing quicker than the other towns. There are many reasons for this:

(*a*) It is the town with the Government Ministries etc.

(*b*) It has a big harbour with related economic activities (railways, goods — handling, road transport, godowns).

(*c*) It has become the most important town for industry and for trade.

(*d*) Because it already has grown so big, it appears to be very attractive for people setting up new business, workshops etc., and is it attractive for people to settle, with easy access to school, hospital, shops.

If the Government does not take any special measures, Dar es Salaam is likely to continue to grow faster and faster. Other towns will only grow slowly, or stagnate.

The Government finds it very important to stimulate a rapid growth of other towns around in the country. To support the development of rural areas it is necessary to have dynamic townships as centres for a geographical area.

Such townships provide markets for the farmer, and they provide him with services from trade and transportation. Industrial development must be the backbone for these dyamic townships.

Through N. D. C. and other parastatal organistions the Governemnt has a decisive influence on industrial development.

It can also decide *where* in the country new industries shall be placed.

It is not always that one has any choice. Often is the location decided by economic factors, for examples a fish canning factory can only be situated on the coast, or on the lakeshore; and a swmill must be close to the forests, etc.

But in the cases where the Government has a choice, it will deliberately aim at having a fair distribution of new industries.

The purpose is to develop towns which become so strong and dynamic, that they attract other economic activities (trade, workshops, small industries), and can continue to grow without any special support from Government. This is the only way in which we can prevent Dar es Salaam from outgrowing all other towns. It is also the only way in which we can have urban centres as a support to the Development of the surrounding rural areas.

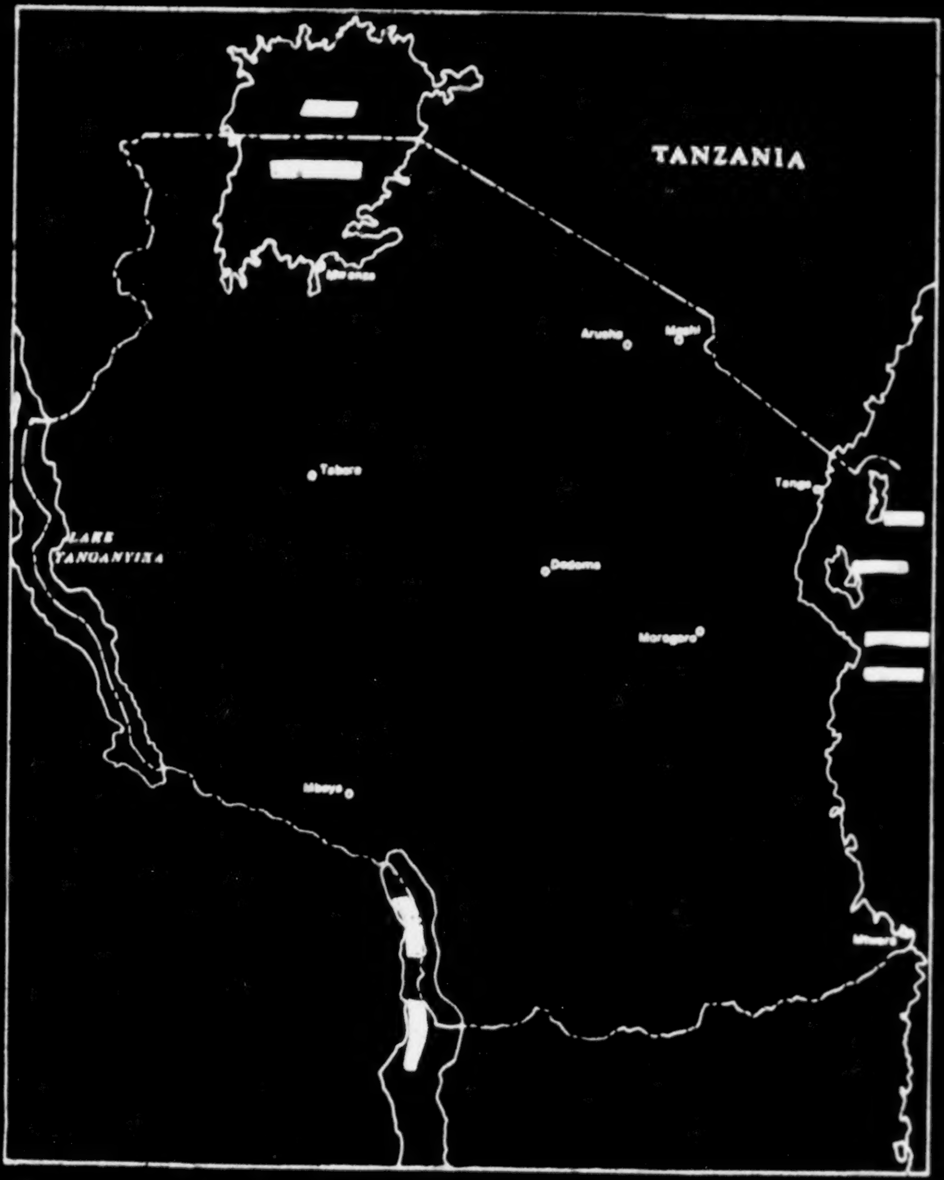
However, also in this problem are we faced with limited resources.

The country has not resources enough to stimulate the development of all urban townships, so that they become such "growing points." If industry is distributed throughout the country in all townships, none of them would get the sufficient stimulance to continue to grow on its own.

Therefore the Government has located towns which have a promising potential for development. New industries, and other Government projects, for example housing, will in the Five Year Plan be concentrated on these towns:

Tanga
Arusha
Moshi
Mwanza
Tabora
Dodoma
Morogoro
Mbeya
Mtwara.

In subsequent development plans other towns will be considered.


TANZANIA
Mwanza
Arusha
Moshi
Tabora
Tanga
LAKE TANGANYIKA
Dodoma
Morogoro
Mbeya
Mtwara

The map shows the nine centres which have been chosen for concentrated urban development, location of industry etc. The purpose of this is to create urban centres other than Dar es Salaam which become so dynamic and economically strong that they can provide a basis for the surrounding rural areas.

20. HOUSING

The housing problem in rural areas where the majority of the people are living in traditional houses without any modern improvements. is not very acute, nor is this a serious threat to health. Therefore the Government's efforts for the rural population will take the form of giving practical advice on improved buildings, and to assist people in using better materials which can be found locally. The rural housing problem is also affected by the health programme, water development programmes, and the policies for rural development. Under sections 10 and 18 you will find more information.

In urban areas, the National Housing Corporation will increasingly concentrate its activity to provide housing for the lower income groups. They will build houses which cost in the range from Shs. 6,000 to Shs. 11,000. The rent in these houses will not be higher than workers can pay for. With a view to stimulate self help efforts, and to make houses cheaper, the Housing Corporation will also, for a larger number of houses, make the site ready for building, and make a cement foundation, on which the family itself, or a group of people jointly, can build the house themselves; the Government will give practical advise to these people.

The Government will continue to build houses for Government officers at places where no local housing otherwise is available.

Government or parastatal organisations will only be allowed to build houses of a modest standard. No house may cost more than Shs. 75,000.

In urban areas the Government will through the National Housing Corporation concentrate its activity to provide housing for the lower income groups. In rural areas the Government activity will concentrate in assisting people to improve the local houses, by using better building materials which can be found locally. Self help schemes will be encouraged.

21. OTHER SERVICES

This pamphlet can only give a short and incomplete presentation of all Government policies, programmes and projects under the Second Five Year Plan. In the preceding chapters we have focused on a number of the bigger and more complex aspects of the plan.

In the final chapter short references are made to some of the other programmes. This difference in treatment does not reflect any assessment of the importance of various programmes.

It does rather reflect the differences in complexity, and it also reflects to which extent the Second Five Year Plan include *new* programmes, or a change in policy, or whether the Second Plan reflects a continuation of previous policies.

Management for parastatals and Government:

Following the Arusha Declaration the Government assumed responsibility for developing key industries of the economy through parastatal organisations. In the Second Plan these organisations have been assigned specific tasks in implementing development programmes.

During the First Plan most training programmes have focused on providing manpower to Government ministries, and their infrastructure programmes (agriculture, Secondary schools, etc.). In the Second Plan we shall have another main element in training programmes, We must provide personnel for the parastatal sector, in management, administration, accounting and other services. For this purpose a new Management Development Institute will be established at Mzumbe.

National Service:

Over 8,000 youths passed through the National Service during the First Plan. In the Second Plan it is intended to have 60,000 youths through the National Service. This is more than seven times as many as in the first Plan.

For this purpose four new training schools are planned, at Bukoba, Shinyanga, Tabora and Mwanza. Special emphasis will be given on creating productive enterprises in accordance with national priorities. These will include farming, workshops, etc.

With the large increase in the numbers of youths who will go through the National Service, and with the orientation towards productive effort, this implies an addition to the regular schools and training institutes. It will provide the national economy with an extra push.

Defence:

In matters of defence the policy of the Government during the Second Plan period will be two-fold. The first objective will fill the wide gaps in manpower, equipment and housing requirements which have persisted during the First Plan. The second objective will be the normal expansion of the defence programme.

Information and Broadcasting:

Broadcasting and information services will be expanded and improved during the Second Plan. Radio and Information Services will be expanded to provide an effective education media in the overall national development effort.

Police:

It is the intention of the Government to bring about a tighter enforcement of law and order. Therefore the police force will be increased.

Special police stock theft prevention units will be established to control, and prevent the theft of cattle where these occur.

Statistics:

Statistics is essential for planning and for Government administration. For example, when we shall plan how many new schools we need, and how many teachers we shall have to train, we need good statistics of the number of children, and how many are born year by year.

And we need to know how much maize we produce in the country, and how much we buy from other countries, when we launch our campaign for increased maize production to become self sufficient. We need statistical data on our imports of textiles to see how big the domestic market is, when we start own production for this market. Other examples can be quoted from all sectors. If policies shall be designed for specific regional development, we need statistical data on the regions.

At independence Tanzania had virtually no compilation of statistics. Some data were processed on East African basis. In the years up to 1969 some progress has been made. The Central Bureau of Statistics has been established, but it does not yet give sufficient coverage.

The biggest single statistical survey during the new plan will be the Agricultural Census, scheduled for 1970. This will for the first time in history give data on how land is used (various types of cultivation, grazing, forests, etc.) in Tanzania. We shall for the first time have exact data on the production of food crops, about the number of cattle and other important data.

The Bureau of Statistics will be expanded to ensure that by 1974 it will be in a position to provide all essential data for Government decision-making in the economic field.

22. CONCLUSION

The Second Plan outlined above is an expression of our strong determination to meet the challenge of our under development. Its success must rest on the dedication and hard work of all Tanzanians:

"HARD WORK IS THE ROOT OF DEVELOPMENT

Some projects which depend on money are going on well, but there are many which have stopped and others which might never be fulfilled because of lack of money. Yet still we talk about money and our search for money increases our efforts to get the money we really need, but it would be more appropriate for us to spend time in the villages showing the people how to bring about development through their own efforts rather than going on so many long and expensive journeys abroad in search of development money. This is the real way to bring development to everybody in the country.

None of this means that from now on we will not need money or that we will not start industries or embark upon development projects which require money. Furthermore, we are not saying that we will not accept, or even that we shall not look for, money from other countries for our development. This is not what we are saying. We will continue to use money; and each year we will use more money for the various development projects than we used the previous year because this will be one of the signs of our development.

What we are saying, however, is that from now on we shall know what is the foundation and what is the fruit of development. Between money and people it is obvious that the people and their hard work are the foundation of development, and money is one of the fruits of that hard work.

From now on we shall stand upright and walk forward on our feet rather than look at this problem upside down. Industries will come and money will come but their foundation is the people and their hard work, especially in AGRICULTURE. This is the meaning of self-reliance.

Our emphasis should therefore be on:

(*a*) *The Land and Agriculture*
(*b*) *The People*
(*c*) *The Policy of Socialism and Self-Reliance, and*
(*d*) *Good Leadership.*"

From: The Arusha Declaration
February 5, 1967.